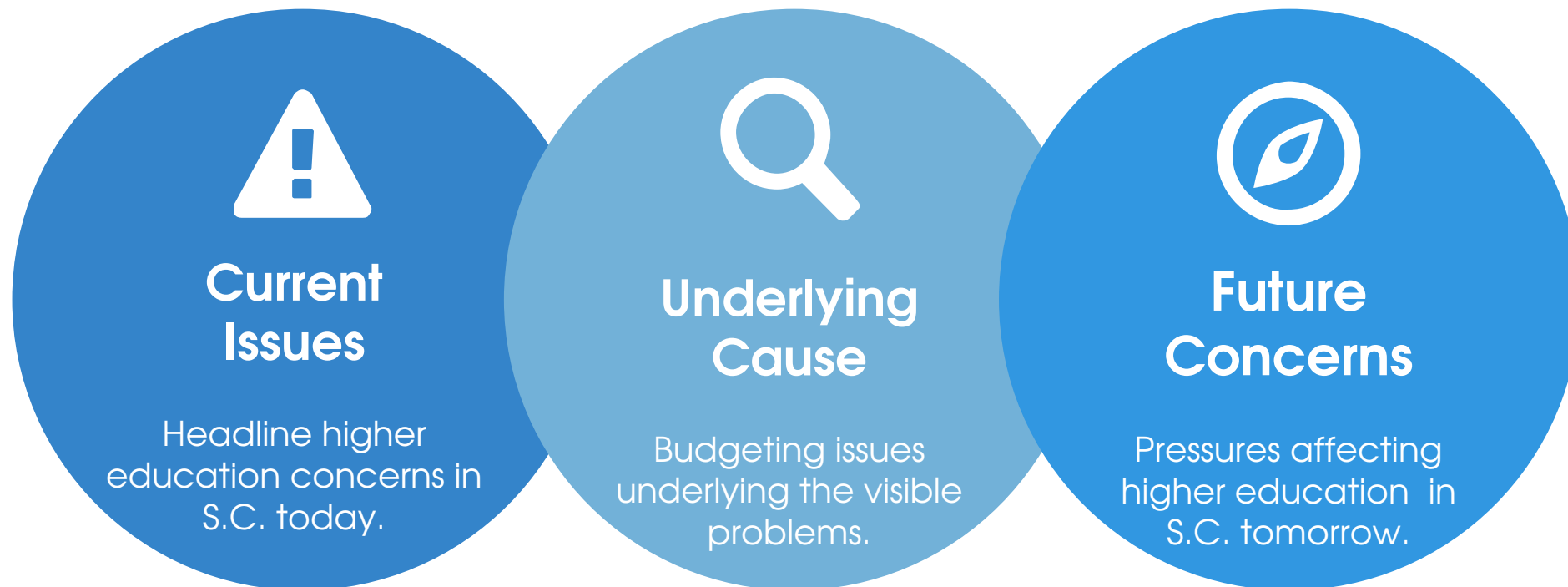




4-Year Public Institutions

Overview

Issues in Higher Education in South Carolina



South Carolina's institutions of higher education have recently come under scrutiny for a number of key issues, including high tuition rates, declining African-American enrollment, and an outsized percentage of out-of-state students receiving tuition discounts. These issues are symptoms of a larger, underlying cause—the universities' budgets and the current funding model. With future trends for increased competition for a dwindling pool of 4-year college applicants, these issues will worsen.



Current Higher Education Issues in South Carolina

South Carolina
Commission on Higher Education

1

Excessive Tuition Rates

Average in-state tuition rates at 4-year colleges have escalated **266% over inflation** since 1987 to \$11,954.

2

Rapid Out-of-State Enrollment Growth

Out-of-state student enrollments have grown **126%** since 1993, while in-state students only grew **19%**.

3

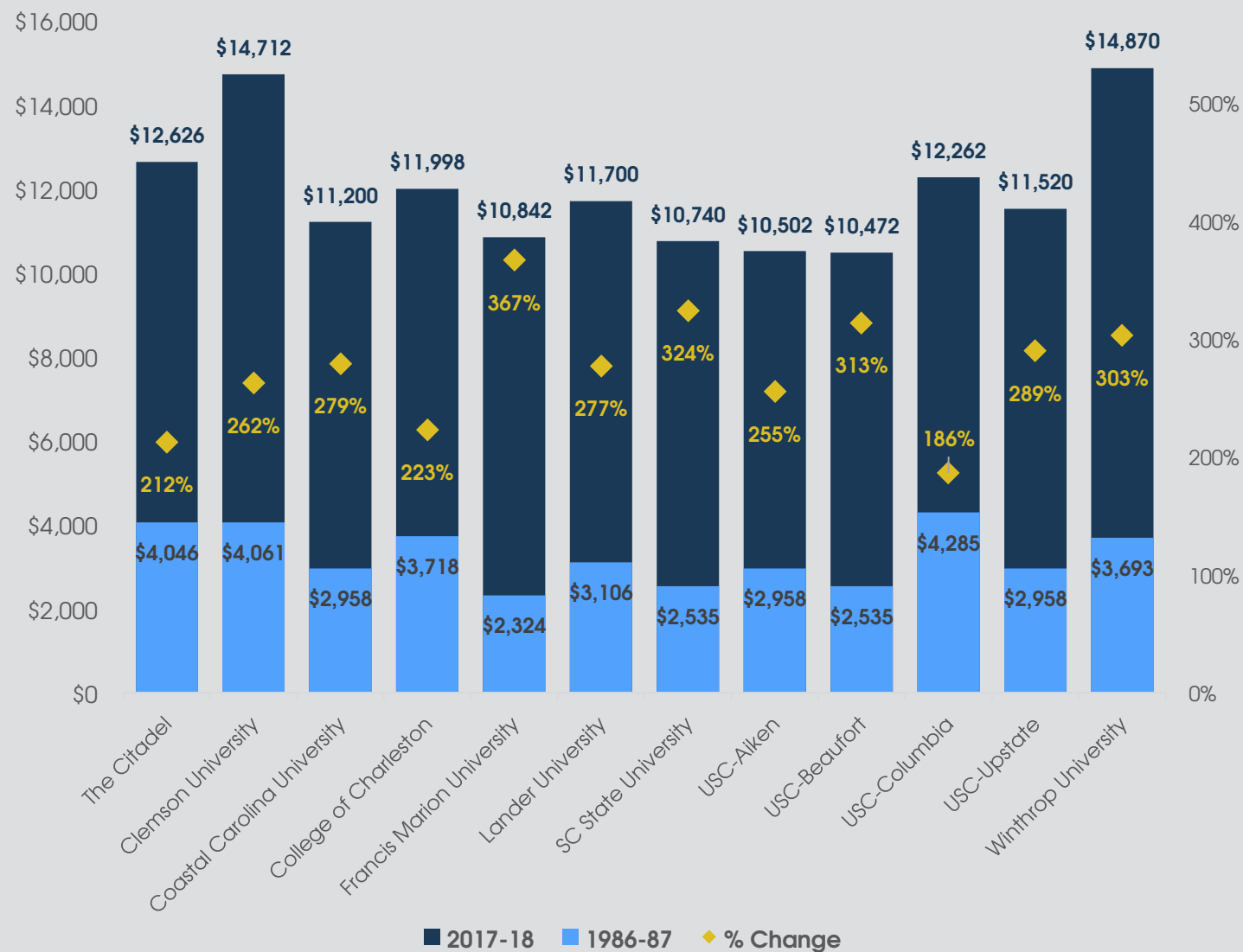
Shifting African-American Enrollment

African-American student enrollment has shifted from Research Universities to Comprehensive Universities.

4

Increasing Abatements to Out-of-State Students

During rapid enrollment expansion, the number and amount of tuition abatements to out-of-state students has grown to over **\$146M**.



266%

In-State Tuition Growth

(Since 1987)

Since 1987, in-state tuition at 4-year public colleges has more than tripled, even after adjusting for inflation, from **\$3,265** to **\$11,954**. Tuition rates do not include room and board, another **\$8,455** on average. Faster growth occurred among comprehensive colleges, which grew at **278%**, while research universities increased **223%**.

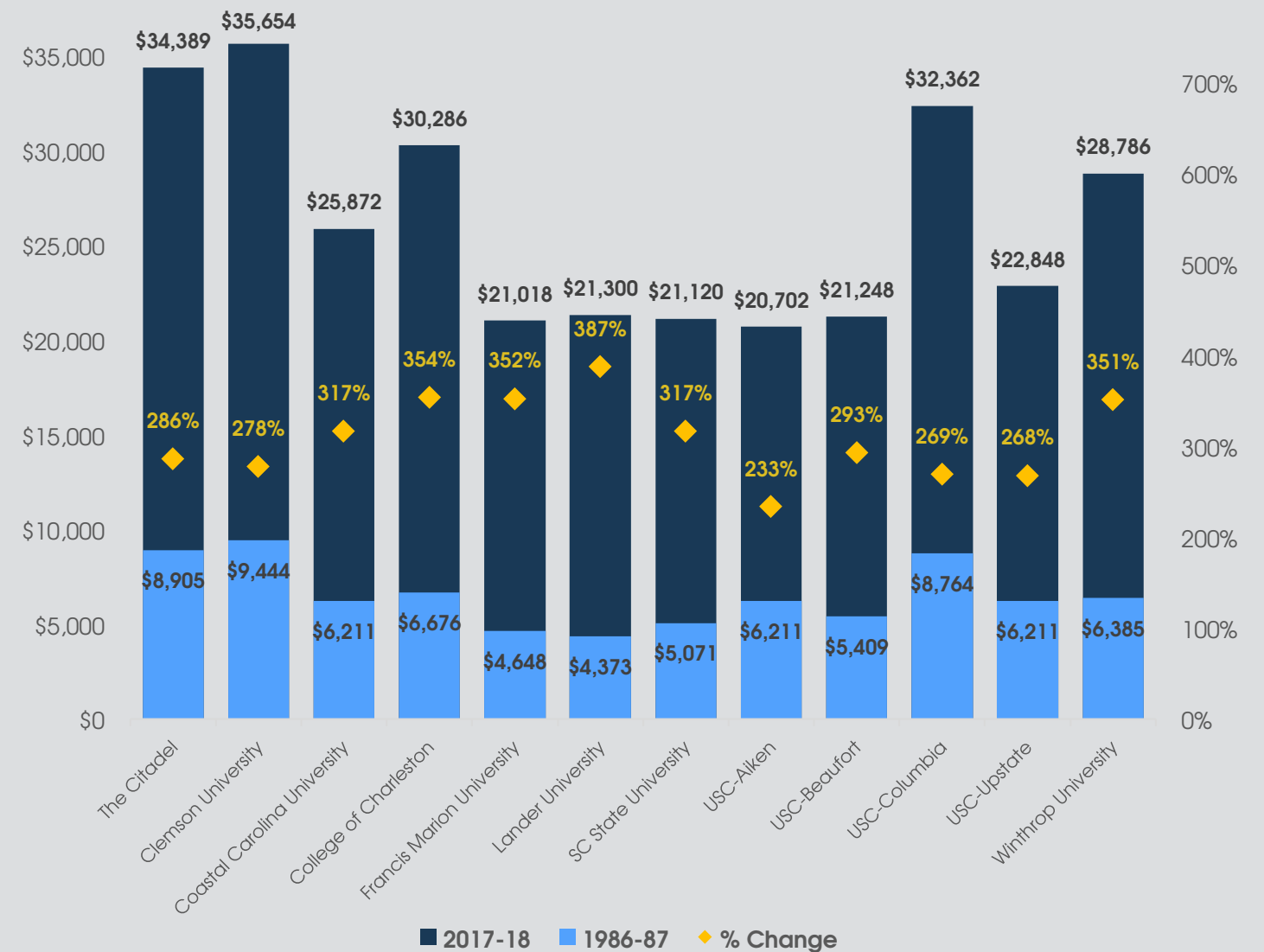


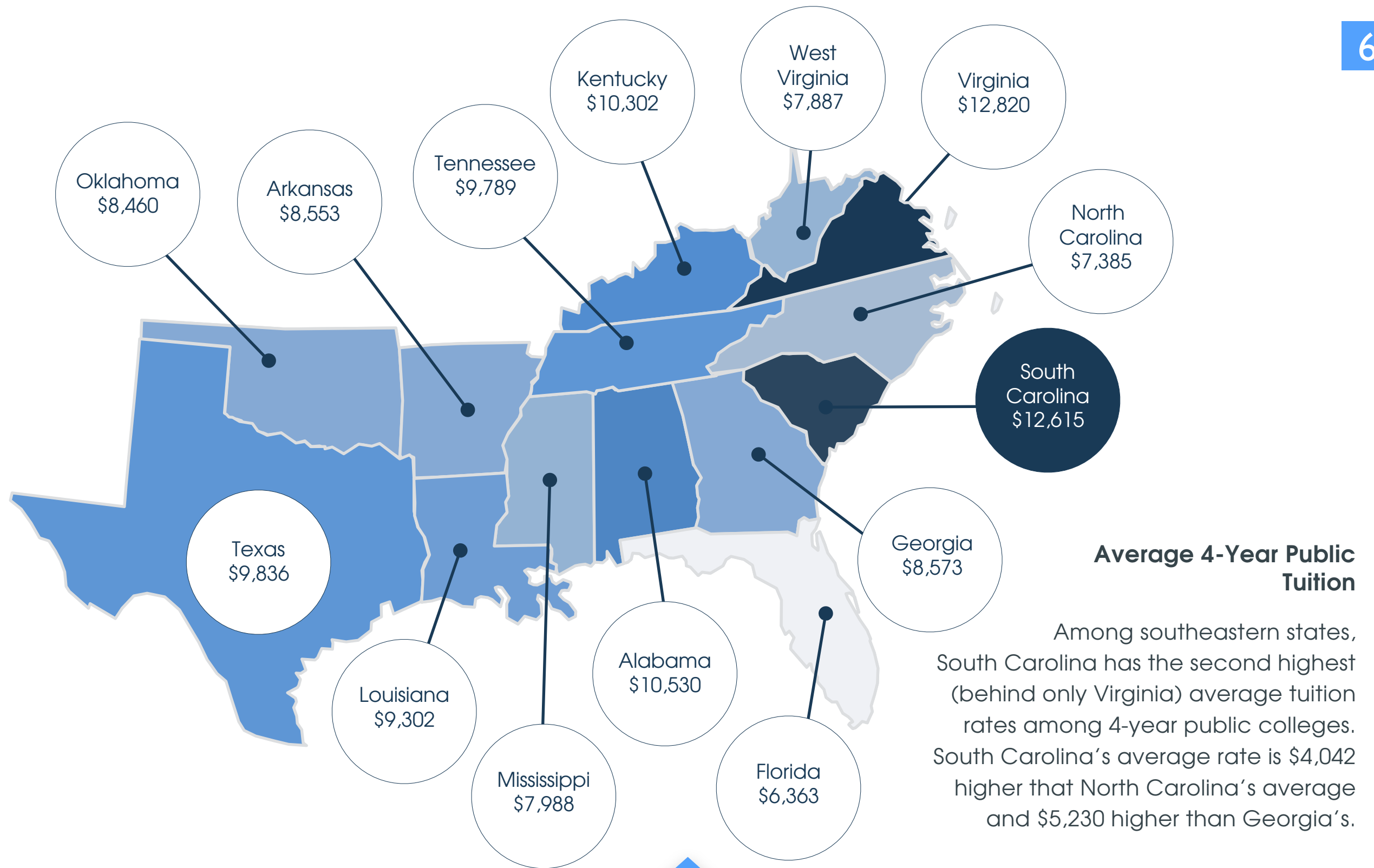
303%

Out-of-State Tuition Growth

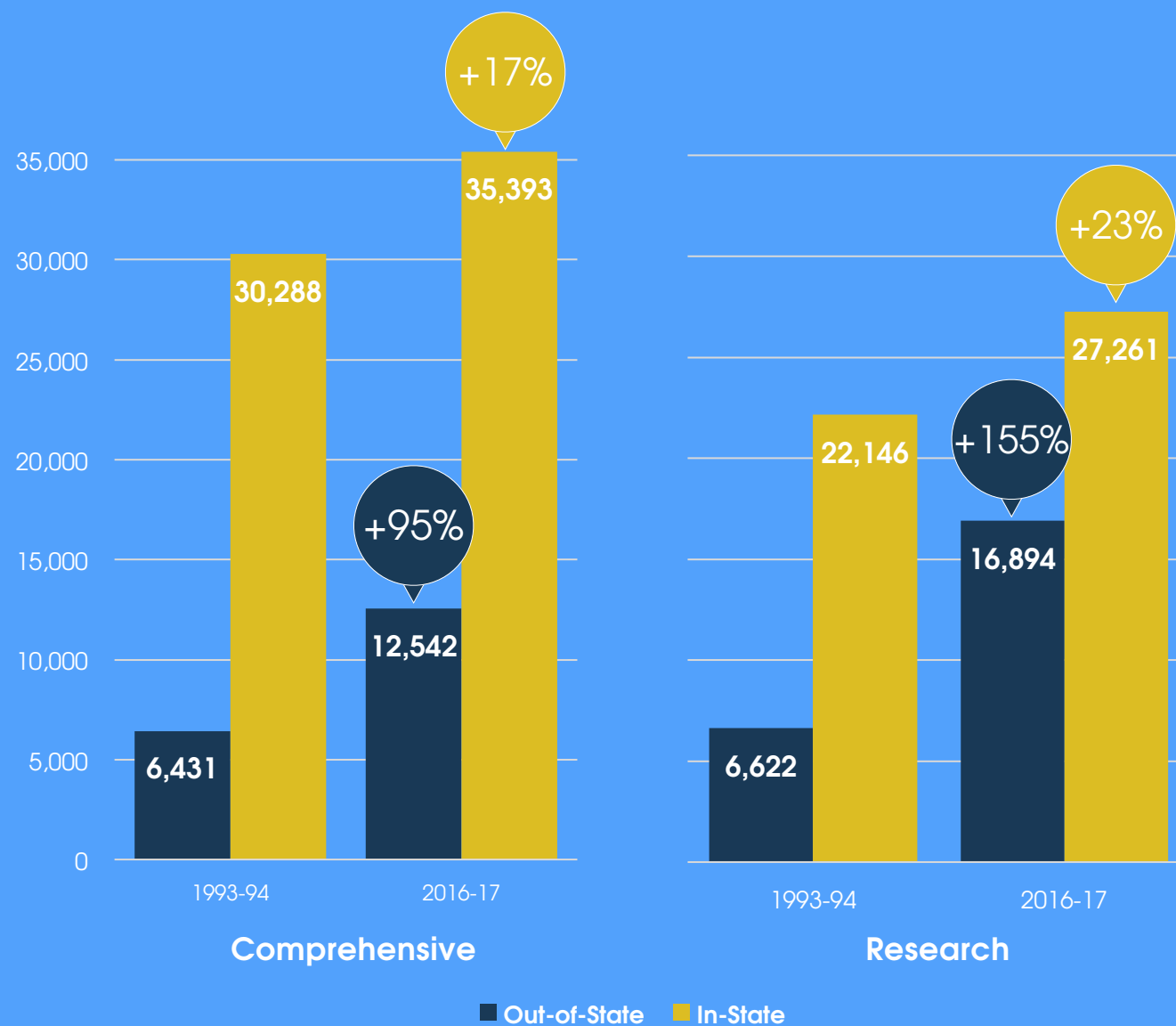
(Since 1987)

Since 1987, out-of-state tuition at 4-year public colleges has tripled, even after adjusting for inflation, from **\$6,526** to **\$26,299**. Faster growth occurred among comprehensive colleges, which grew at **312%**, while research universities increased **274%**. These figures do not include abatements.





Average 4-Year Public Tuition, 2017-18



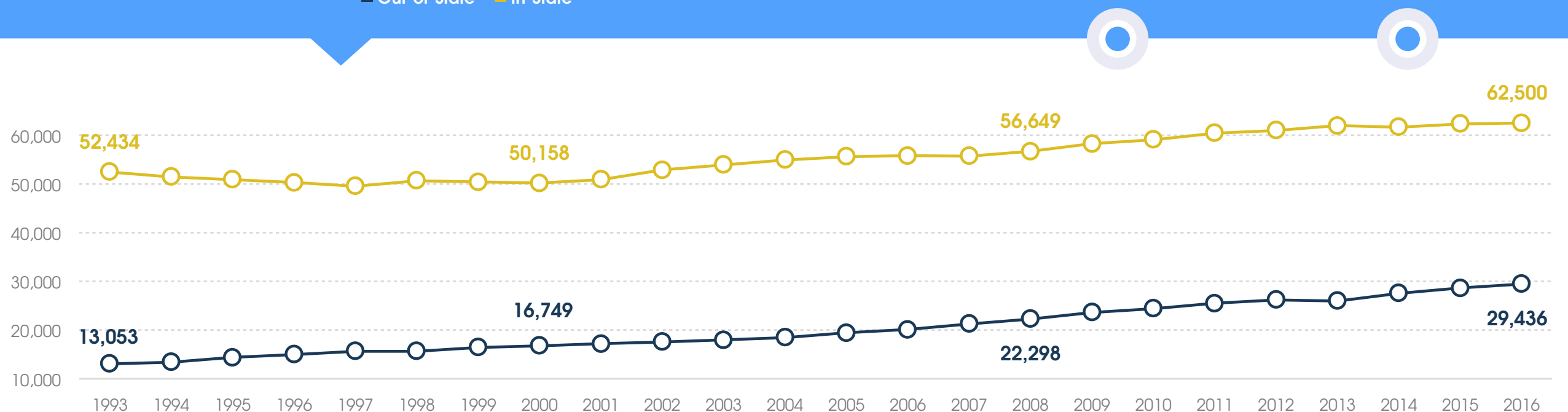
Rapid Out-of-State Growth

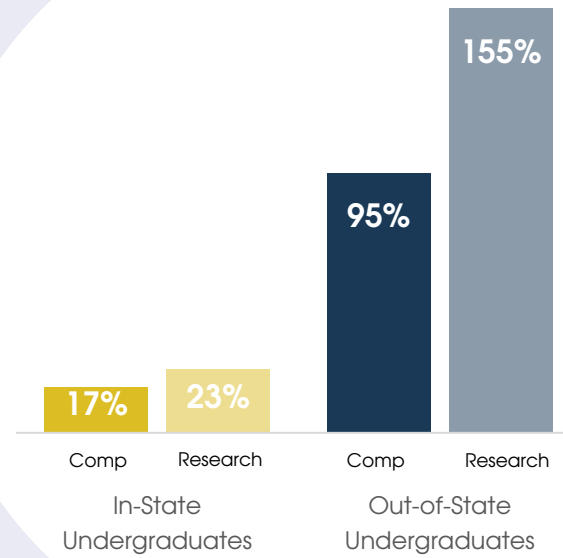
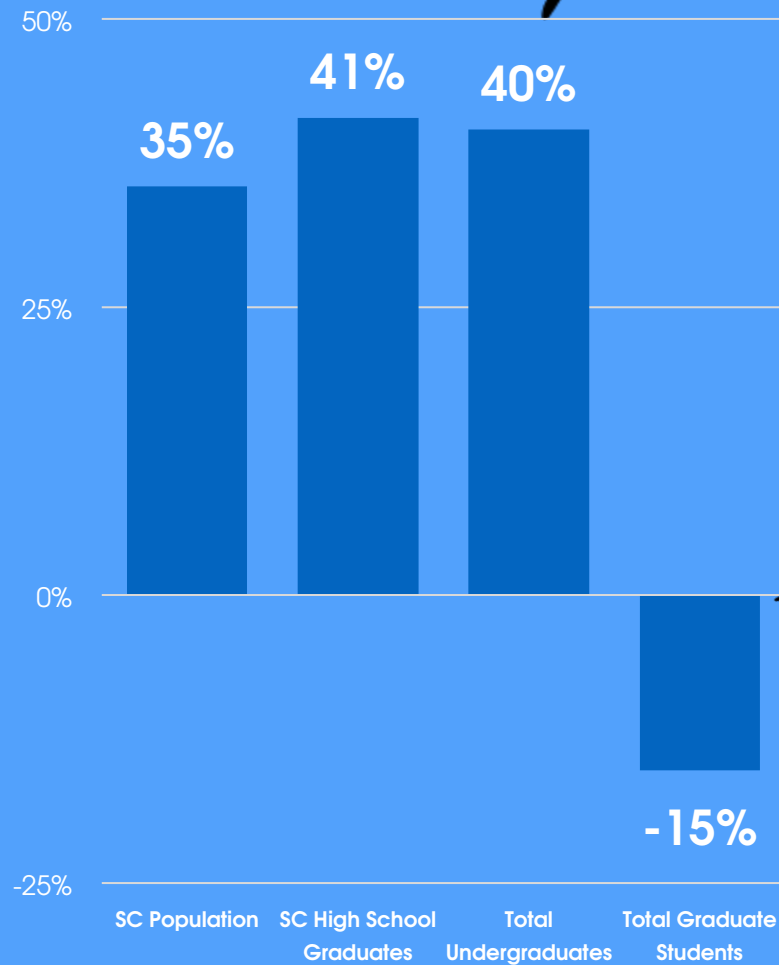
126%

Increase in out-of-state undergraduates, from 13,053 in Fall 1993 to 29,436 in Fall 2016.

19%

Increase in in-state undergraduates, from 52,434 in Fall 1993 to 62,500 in Fall 2016.

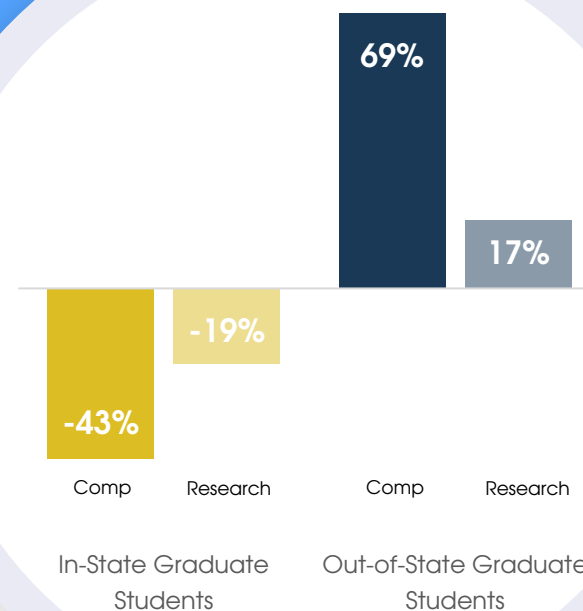




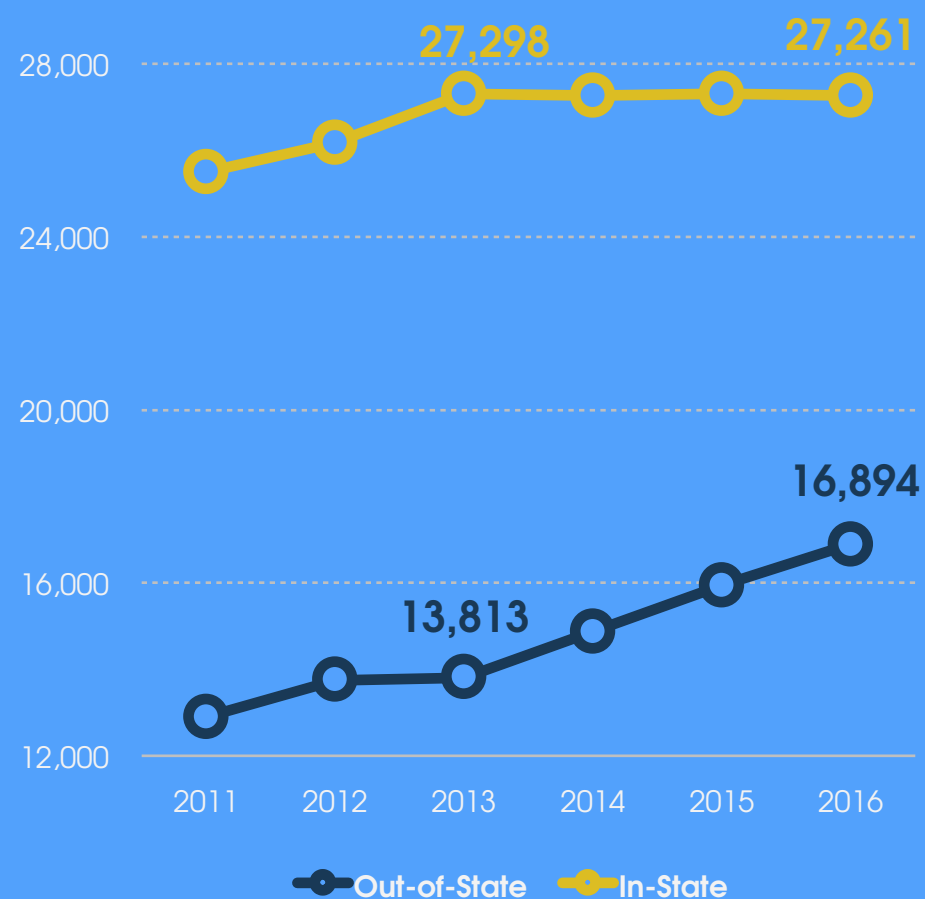
Lopsided Enrollments

1993 – 2016

Despite rampant undergraduate growth due to out-of-state students, total student growth has not kept pace with state population or S.C. high school graduates due to declines in graduate students and lackluster in-state growth.



Recent In-State Research 4-Year Enrollment Flat



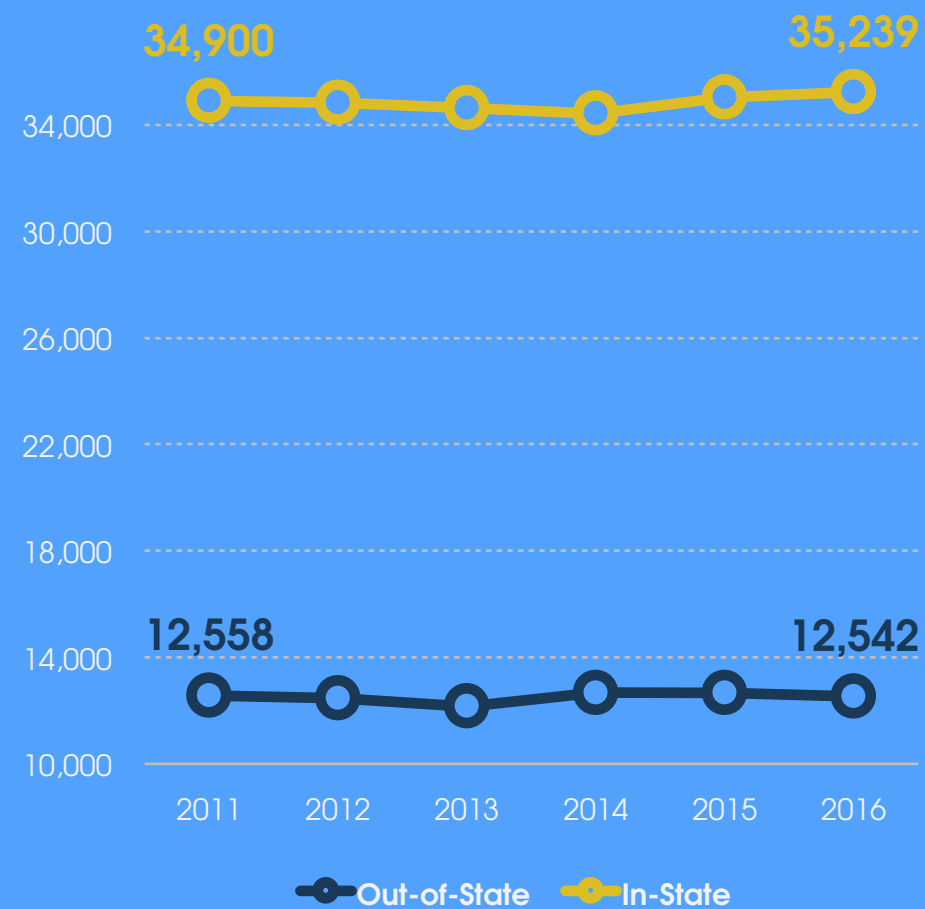
4-Year Research Undergraduate Enrollments, 2013 - 2016



Since Fall 2013, the number of in-state students at 4-year research institutions has remained flat, driven by enrollment declines of 6.2% at USC, or 990 students. During the same time, the number of out-of-state students grew 23.9%, or 3,081 students.



Recent Flattening of Comprehensive 4-Year Enrollments



4-Year Comprehensive Undergraduate Enrollments, 2011 - 2016

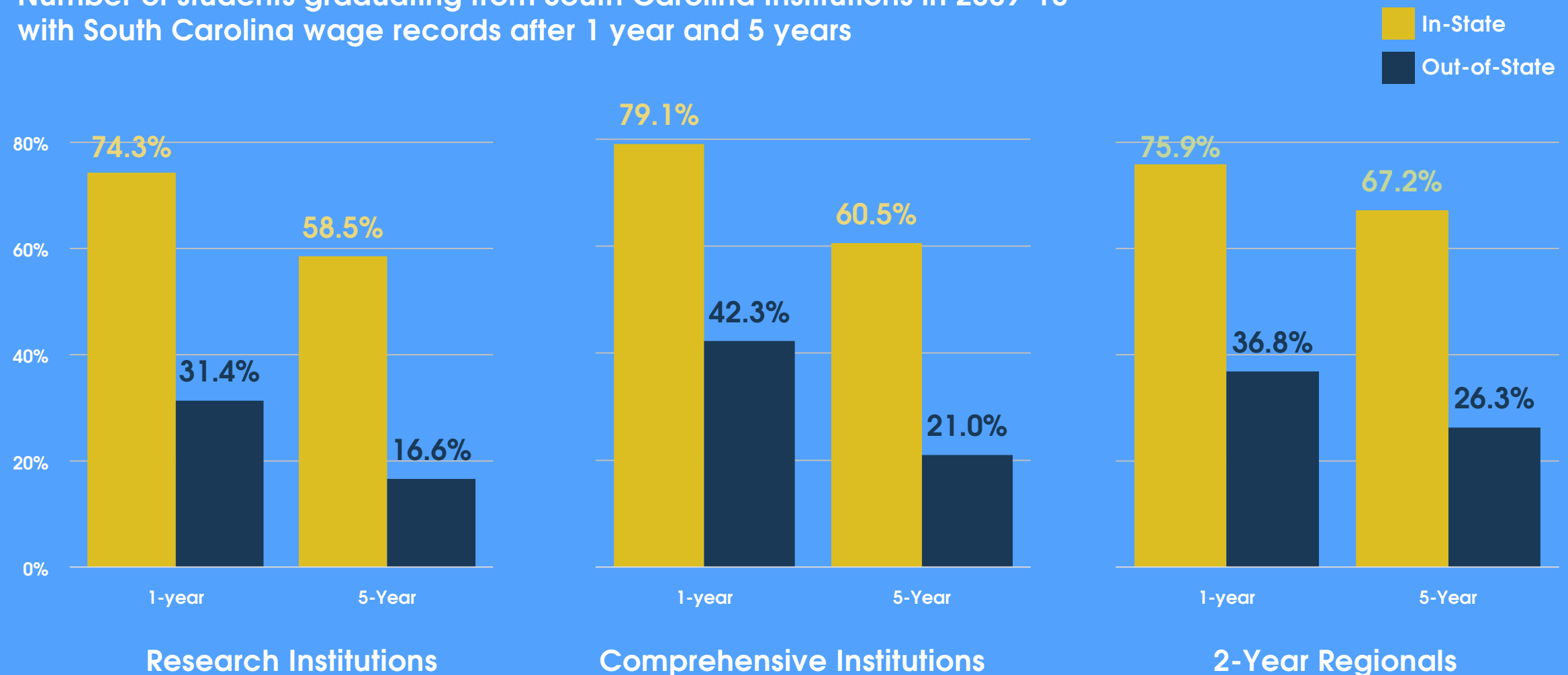


Since Fall 2011, the number of in-state students at 4-year research institutions has flattened. Meanwhile, 6 of the 10 comprehensives have experienced out-of-state student declines.



Graduates Working In SC

Number of students graduating from South Carolina Institutions in 2009-10 with South Carolina wage records after 1 year and 5 years



16.6%

Out-of-state students at **Research Institutions** with S.C. employment records 5 years after graduation, versus **58.5%** of in-state students.

21%

Out-of-state students at **Comprehensive Institutions** with S.C. employment records 5 years after graduation, versus **60.5%** of in-state students.

26.3%

Out-of-state students at **2-Year Regional Institutions** with S.C. employment records 5 years after graduation, versus **67.2%** of in-state students.



SOUTH CAROLINA
Commission on Higher Education

Notes: Includes all students from certificates to doctorates. Employment records do not include: federal employment, military service, self-employment, or independent contractors.
Source: In-State Employment Outcomes for South Carolina College Graduates. 2017. SC Commission on Higher Education and SC Department of Employment and Workforce.

Shifting African-American Enrollment

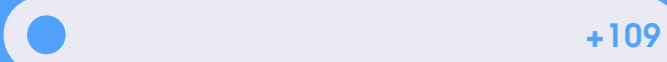
Between fall of 1997 and 2016, African-American undergraduate enrollments have undergone a gradual shift from research to comprehensive universities.

Research Universities

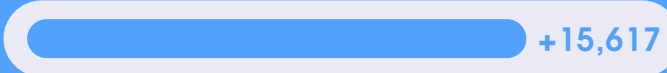
African-Americans have declined as a share of undergraduate enrollment.

Of the 15,617 additional undergrads since 1997, only 109 are African-Americans.

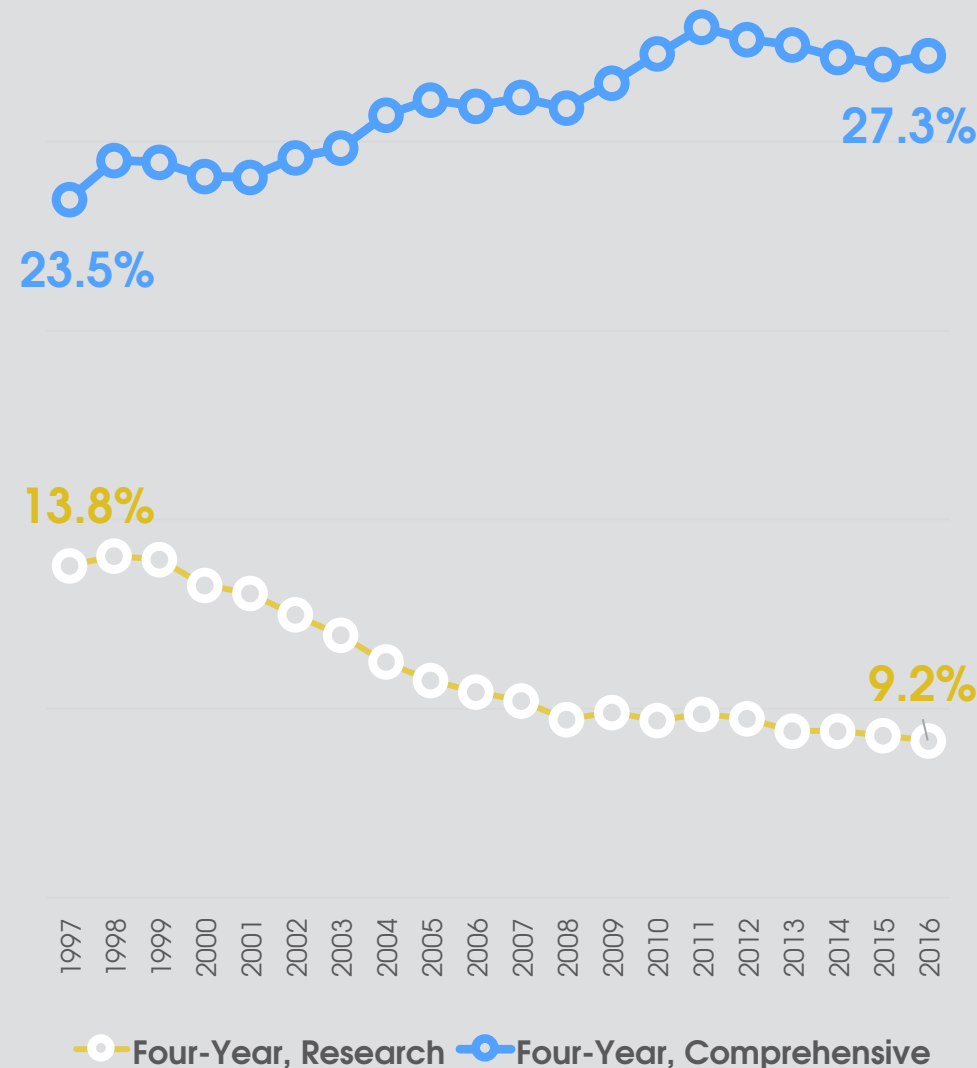
African-American Enrollment Increase



Total Undergraduate Enrollment Increase



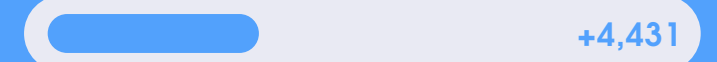
African-Americans as a Percent of Total Undergraduate Enrollment



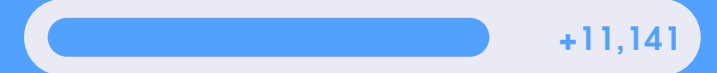
Comprehensive Universities

African-American students have increased in total number as well as in percentage of total undergraduates. Of the 11,141 new undergrads, 40% of them were African-American.

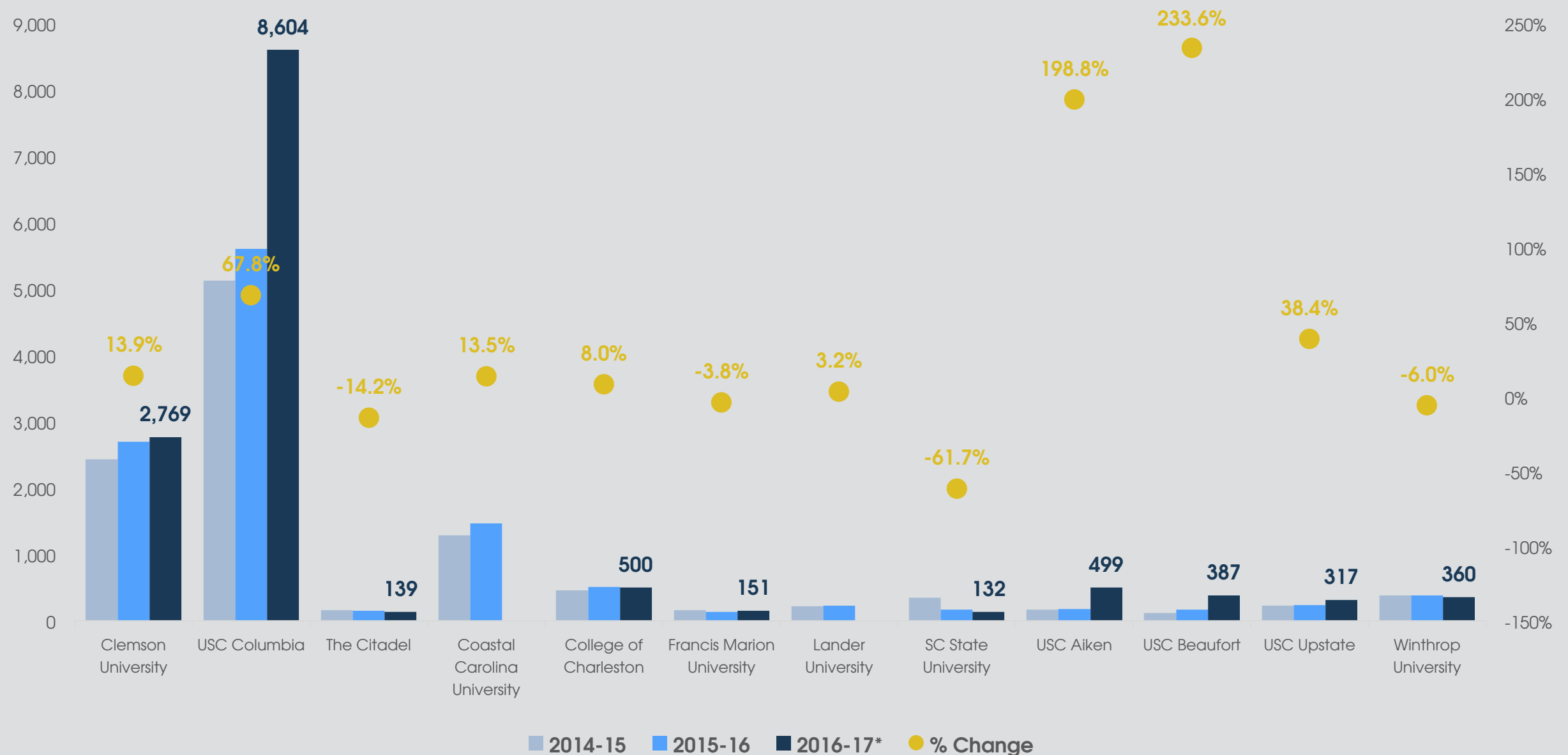
African-American Enrollment Increase



Total Undergraduate Enrollment Increase



Total Number of Abatements Granted (Full and Partial) 2014-5 to 2016-17*



Increasing Number of Abatements to Out-of-State Students

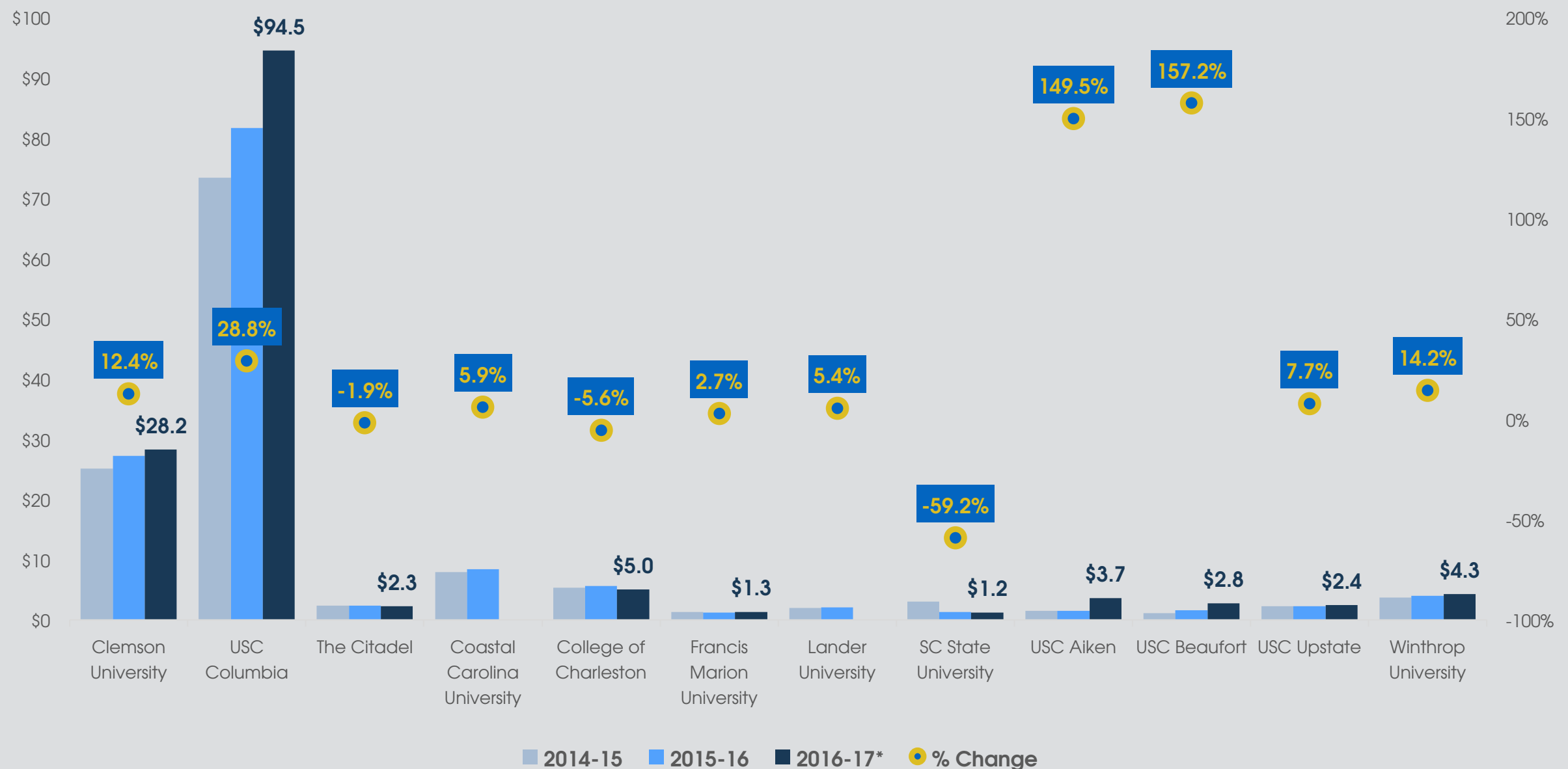
Amid increasing competition for out-of-state students and rapidly increasing advertised tuition rates, the number of abatements granted by institution has increased year-over-year at most institutions. In 2016-17, over 14,000* abatements have been given to out-of-state students.



SOUTH CAROLINA
Commission on Higher Education

Source: Annualized Abatement Reporting, 2014-5 through 2016-7. S.C. Commission on Higher Education. Represents unduplicated undergraduate headcount for students receiving abatements under SC Code 59-112-70 (A). *Note: 2016-17 figures are preliminary and not fully reported. No 2016-17 data exists for Coastal Carolina or Lander.

Total Amount of Abatements Granted (Millions of US\$) 2014-5 to 2016-17*



Increasing Amounts of Abatements to Out-of-State Students

Amid increasing competition for out-of-state students and rapidly increasing advertised tuition rates, the number of abatements granted by institution has increased year-over-year at most institutions. In 2016-17 over \$146M was granted in abatements, with \$94M attributed to USC – Columbia.



SOUTH CAROLINA
Commission on Higher Education

Source: Annualized Abatement Reporting, 2014-5 through 2016-7. S.C. Commission on Higher Education. Represents unduplicated undergraduate headcount for students receiving abatements under SC Code 59-112-70 (A). *Note: 2016-17 figures are preliminary and not fully reported. No 2016-17 data exists for Coastal Carolina or Lander.

These issues are
symptoms of a
larger, underlying
cause....



Unsustainable Expenditures

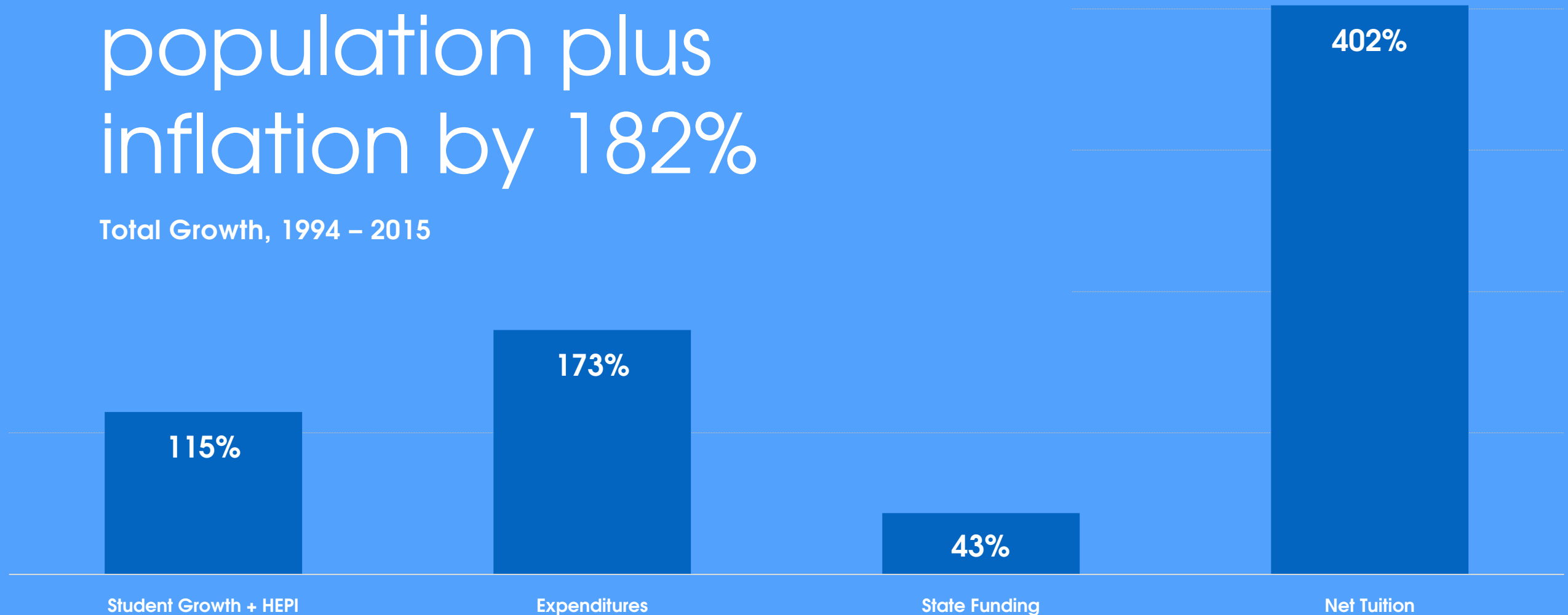
Excessive Expenditure Growth

Expenditures have grown **173%** since 1993, a rate that is **1.5 times greater** than student body plus inflation growth.



Expenditures outpaced population plus inflation by 182%

Total Growth, 1994 – 2015



Students + HEPI Inflation

Growth of total student enrollments was 23%, while CPI inflation grew 62% and HEPI grew at 92%.



Expenditures

Growth in university expenditures has grown 173% since 1994, outpacing both student growth and HEPI inflation.



State Funding

State funding, including both appropriations and lottery scholarship funding, has not kept pace with inflation or student growth.



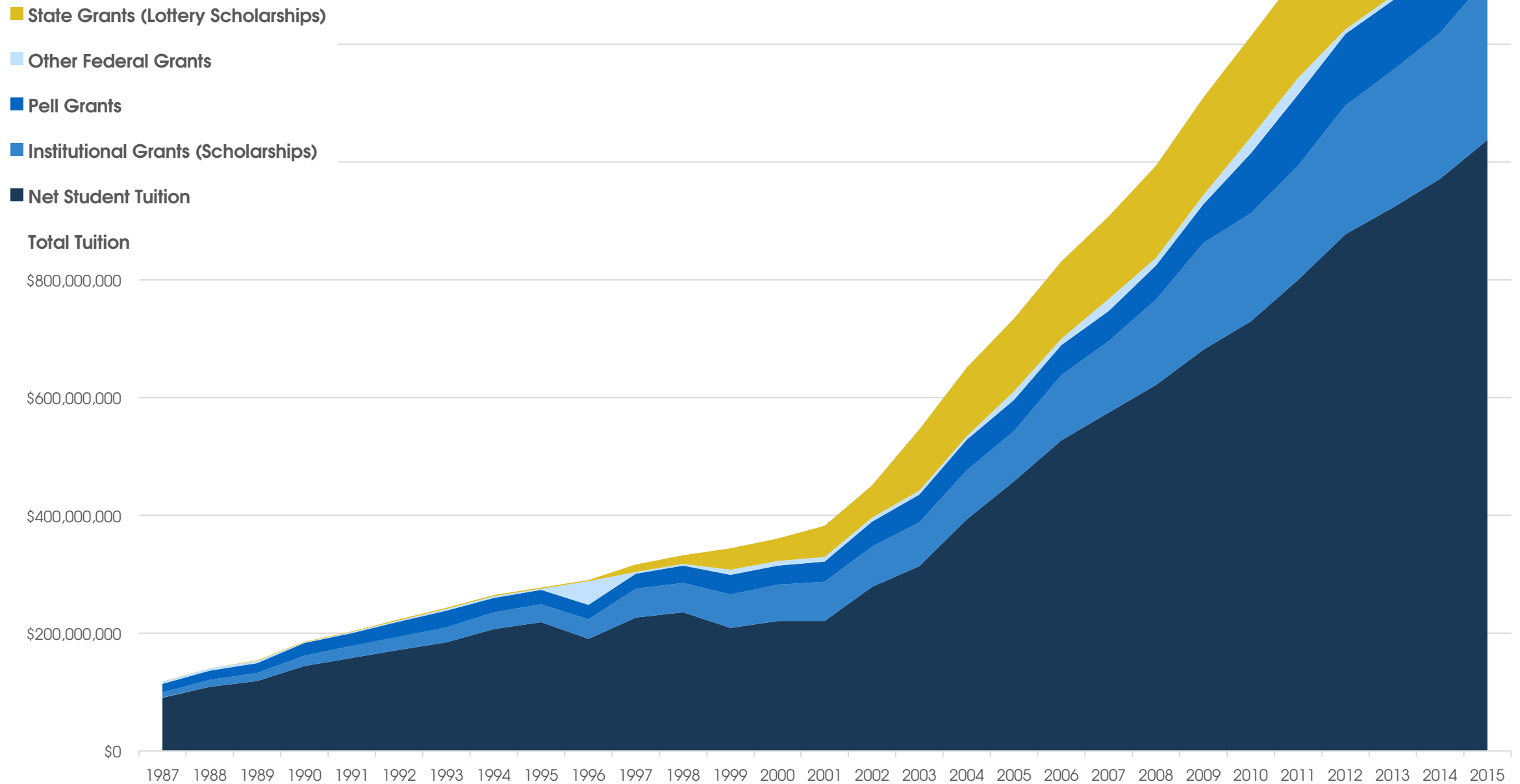
Net Tuition

Revenue from tuition (net of federal and state scholarships and abatements). In other words, what students paid out-of-pocket.



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Commission on Higher Education

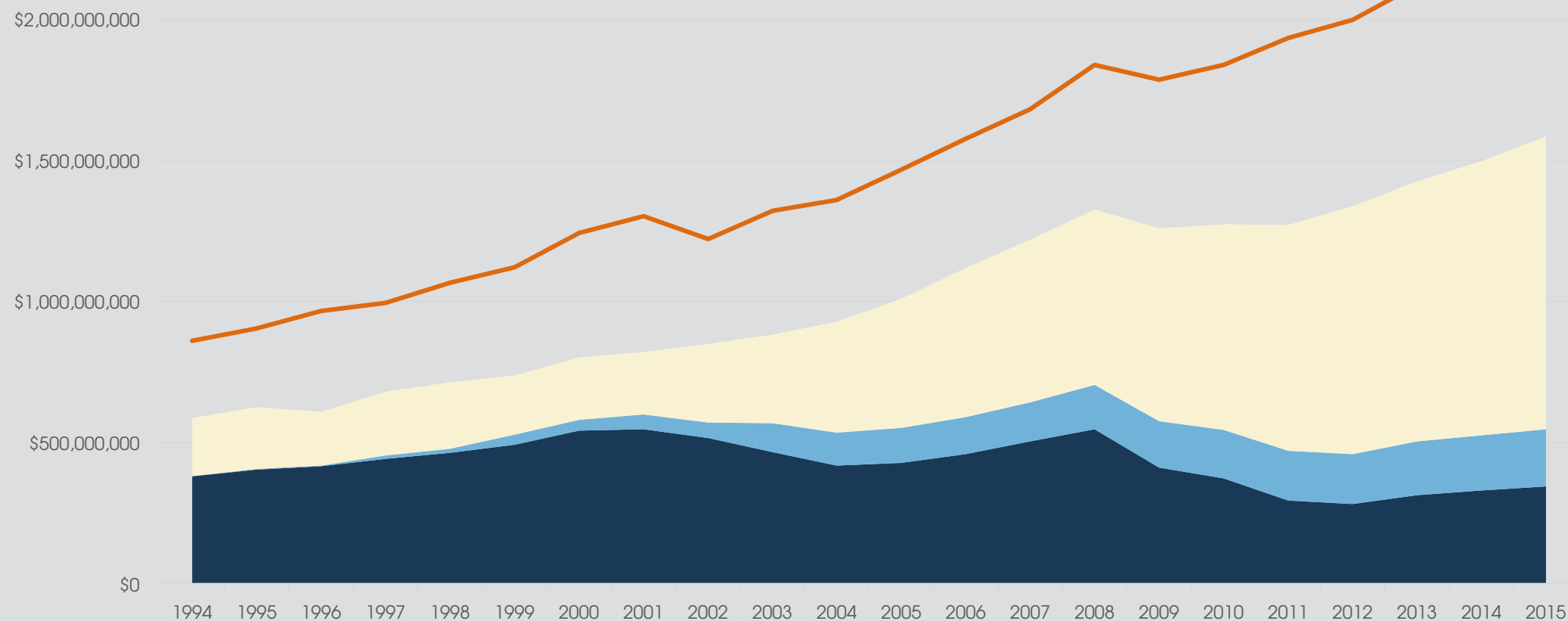
Components of Tuition



Expanding Expenditure Gap

Between 1994 and 2015, expenditures grew 173% while state funding grew only 43%.

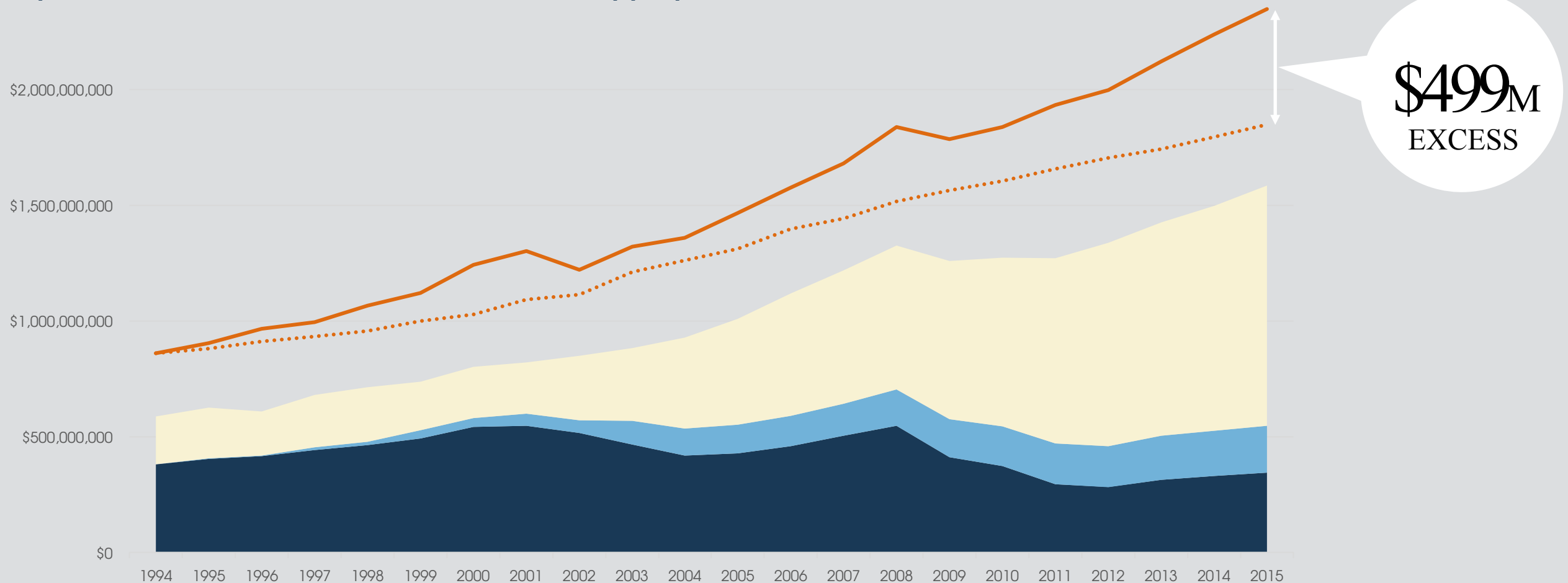
Expenditures vs. Tuition Revenues and State Appropriations, 1994–2015



Expanding Expenditure Gap

Between 1994 and 2015, expenditures grew 173% while state funding grew only 43%. **If expenditures had continued to grow at the rate of students plus HEPI inflation, there would still be an excess of \$499M.**

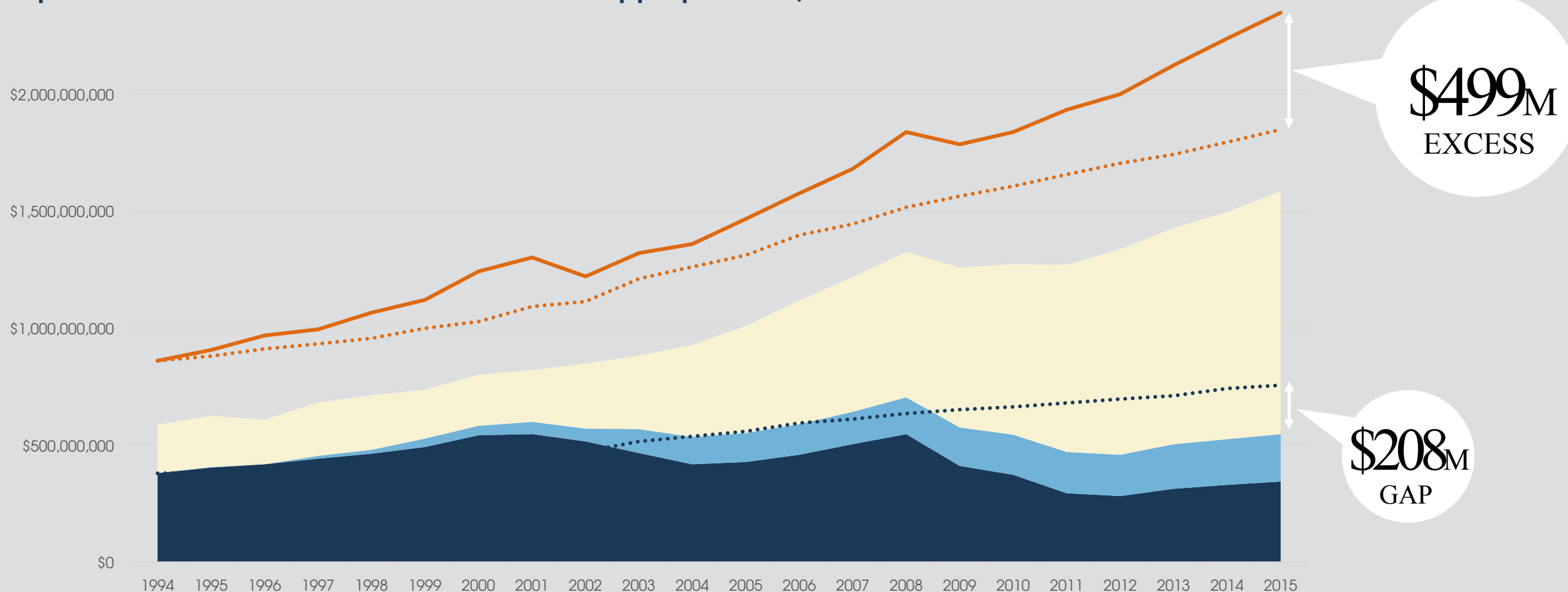
Expenditures vs. Tuition Revenues and State Appropriations, 1994–2015



Expanding Expenditure Gap

Between 1994 and 2015, expenditures grew 173% while state funding grew only 43%. If expenditures had continued to grow at the rate of students plus HEPI inflation, there would still be an excess of \$499M. **If state funding had continued to grow at the rate of in-state students plus HEPI inflation, \$208M more would have been appropriated in 2015, which is 239% less (\$291 million) than the excess expenditures.**

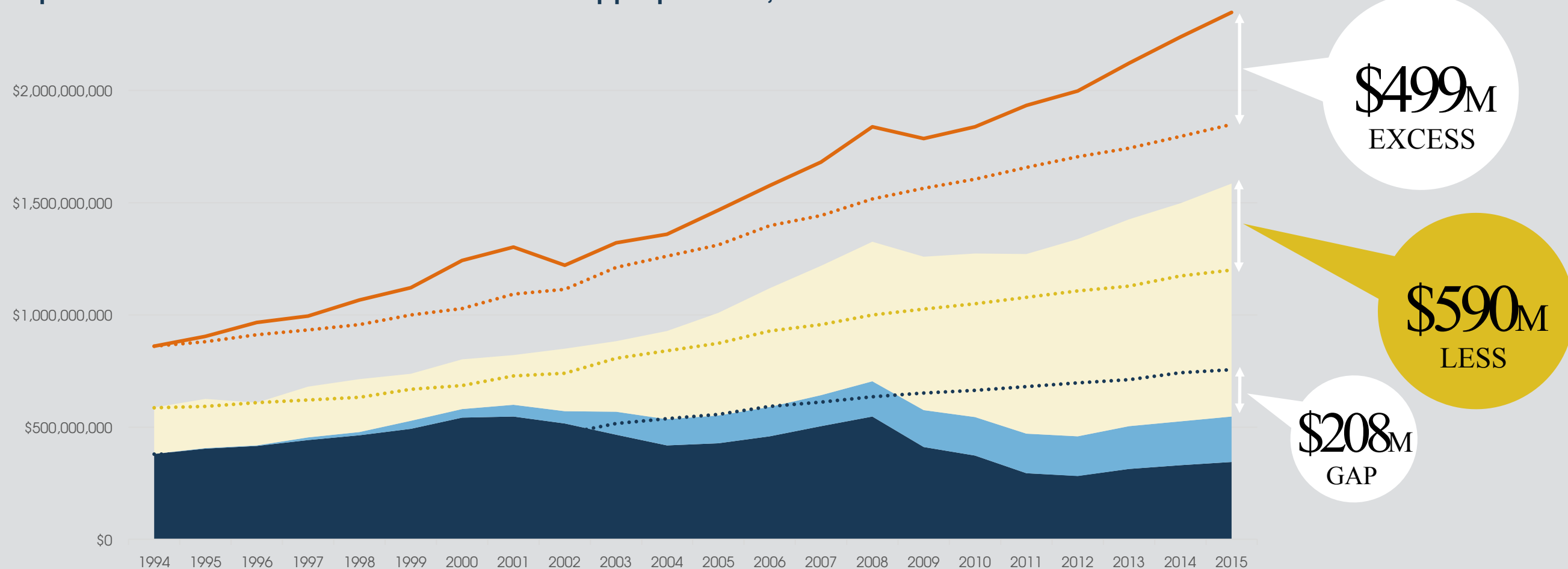
Expenditures vs. Tuition Revenues and State Appropriations, 1994–2015



Expanding Expenditure Gap

Between 1994 and 2015, expenditures grew 173% while state funding grew only 43%. If expenditures had continued to grow at the rate of students plus HEPI inflation, there would still be an excess of \$499M. If state funding had continued to grow at the rate of in-state students plus HEPI inflation, \$208M more would have been appropriated in 2015, which is 239% less than the excess expenditures. **Finally, if tuition had also grown at population plus HEPI inflation, students would collectively pay \$590M less. In-state tuition would be \$7,157 in 2017.**

Expenditures vs. Tuition Revenues and State Appropriations, 1994–2015



The result
is an
unsustainable
financial
model.

"Universities that fail to prepare for the hurricane ahead are likely to be flattened by it."

**The
Economist**

The College Cost Calamity – August 4, 2012

"...in a world where colleges and universities are competing for students, most can't walk away from discounting as an enrollment strategy."

**INSIDE
HIGHER ED**

Diminishing Returns for Tuition Discounting – April 28, 2017

"To fill seats, colleges are engaged in an arms race of discounts that they increasingly cannot afford."

**The
New York
Times**

Higher Education Seeks Answers to Leaner Years – June 7, 2017

"Universities are contending with demographic trends that show no sign of abating."

The Washington Post

This trend could destabilize some small private colleges if it continues – May 15, 2017

"One potentially worrisome trend is spending more to entice students to enroll."

THE CHRONICLE OF HIGHER EDUCATION

Enrollment Goals Remain Elusive for Small Colleges – December 11, 2016

Unsustainability and the Laws of Supply & Demand

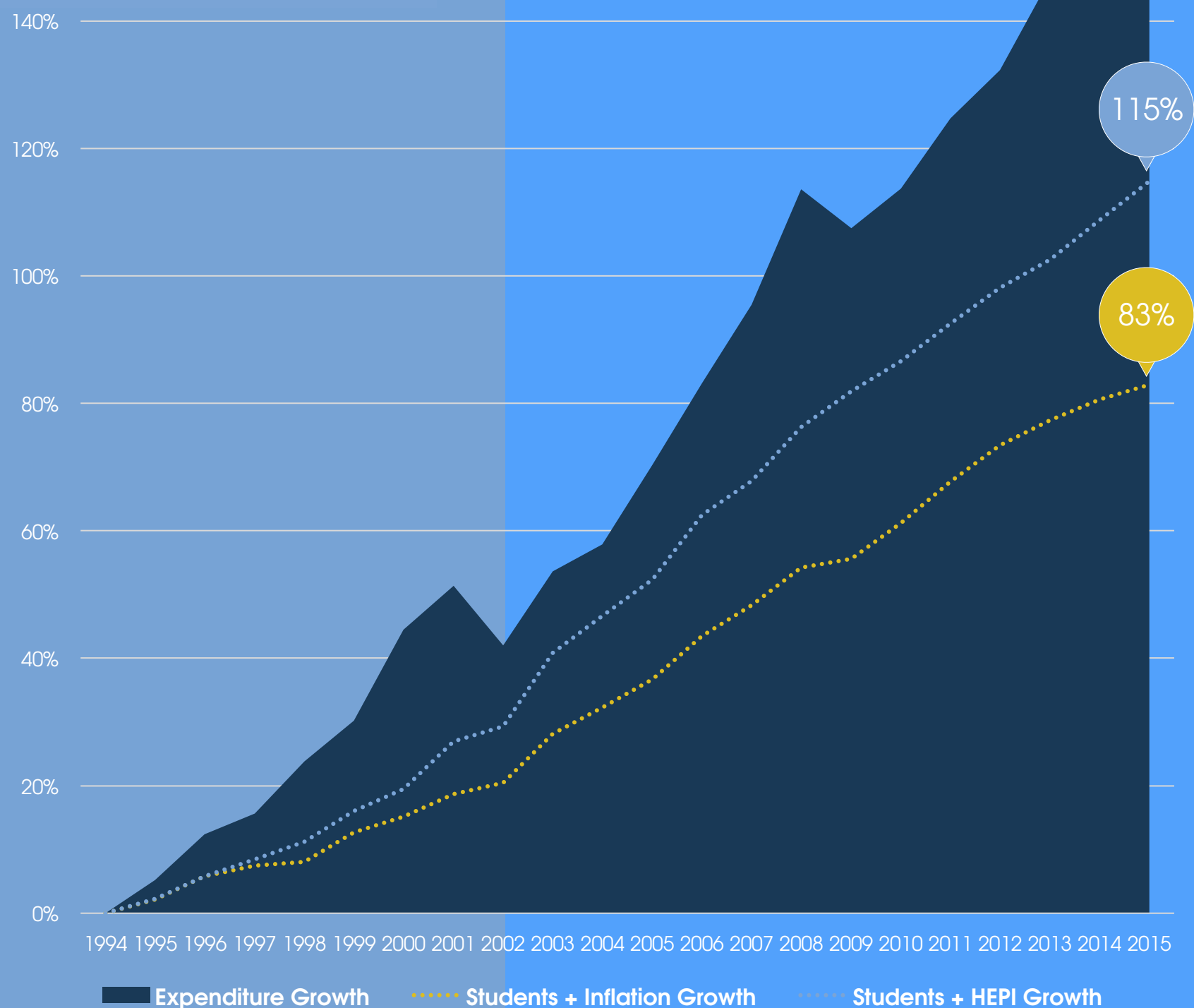
With a **dwindling pool of potential undergraduate students**, the laws of supply and demand will require even **further abatements** and scholarships and tuition discounts to attract students away from other schools. The **result, ultimately, will be declining revenue.**

**“Something that can’t go on forever,
won’t.”**

– Herbert Stein



3 Phases of Growth



High Growth 1994-2002

Expenditures start to increase each year as tuition rates begin their rise at a faster rate than inflation.

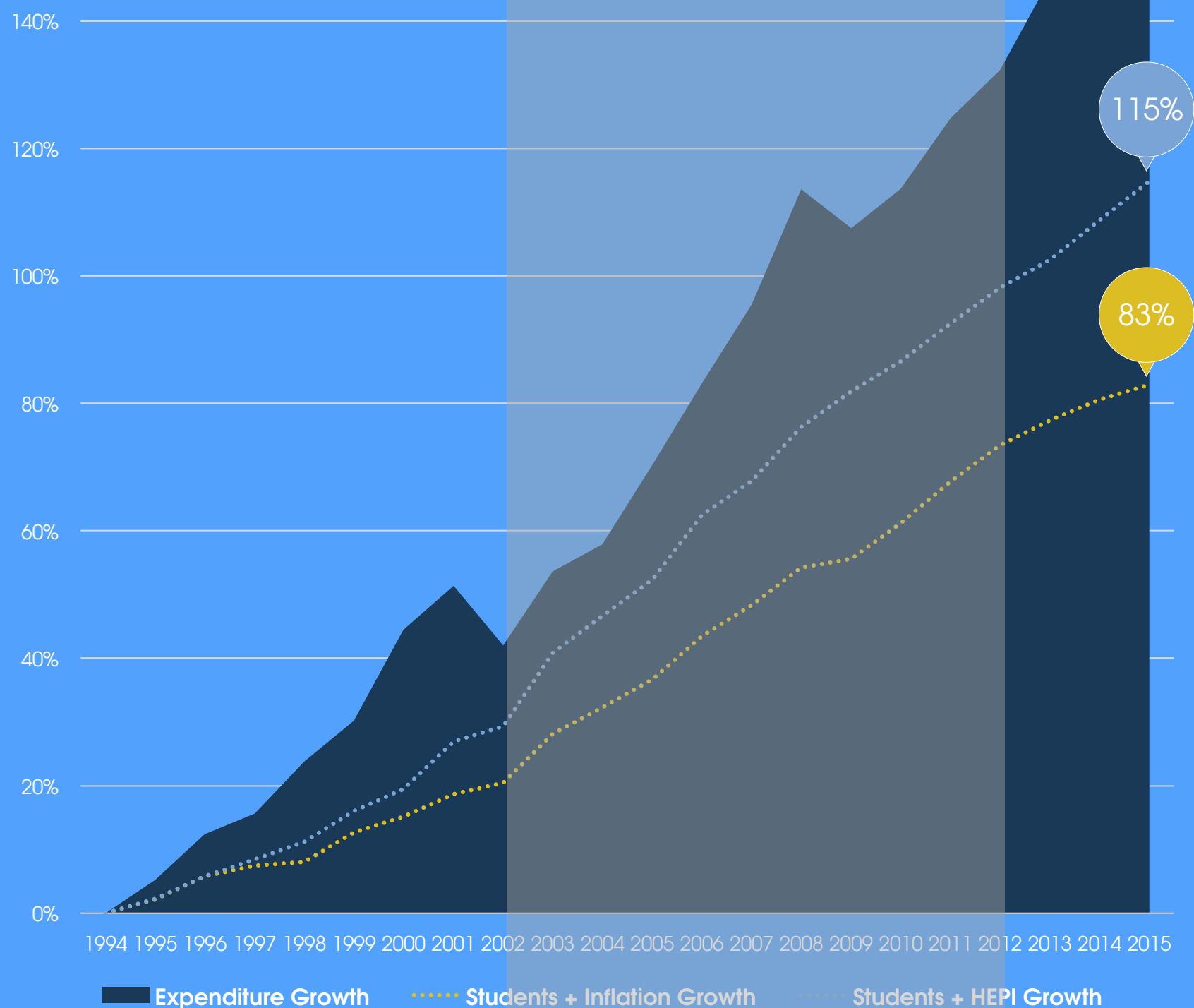
Rapid Expansion 2002-2012

Lottery funding, extensive increases in tuition rates, and enormous additions of out-of-state students fuel rapid expenditure expansion.

Momentum Expansion 2012+

Continued need to pay for expanded infrastructure drives larger shift toward out-of-state tuition revenues as college attendance rates begin to decline.

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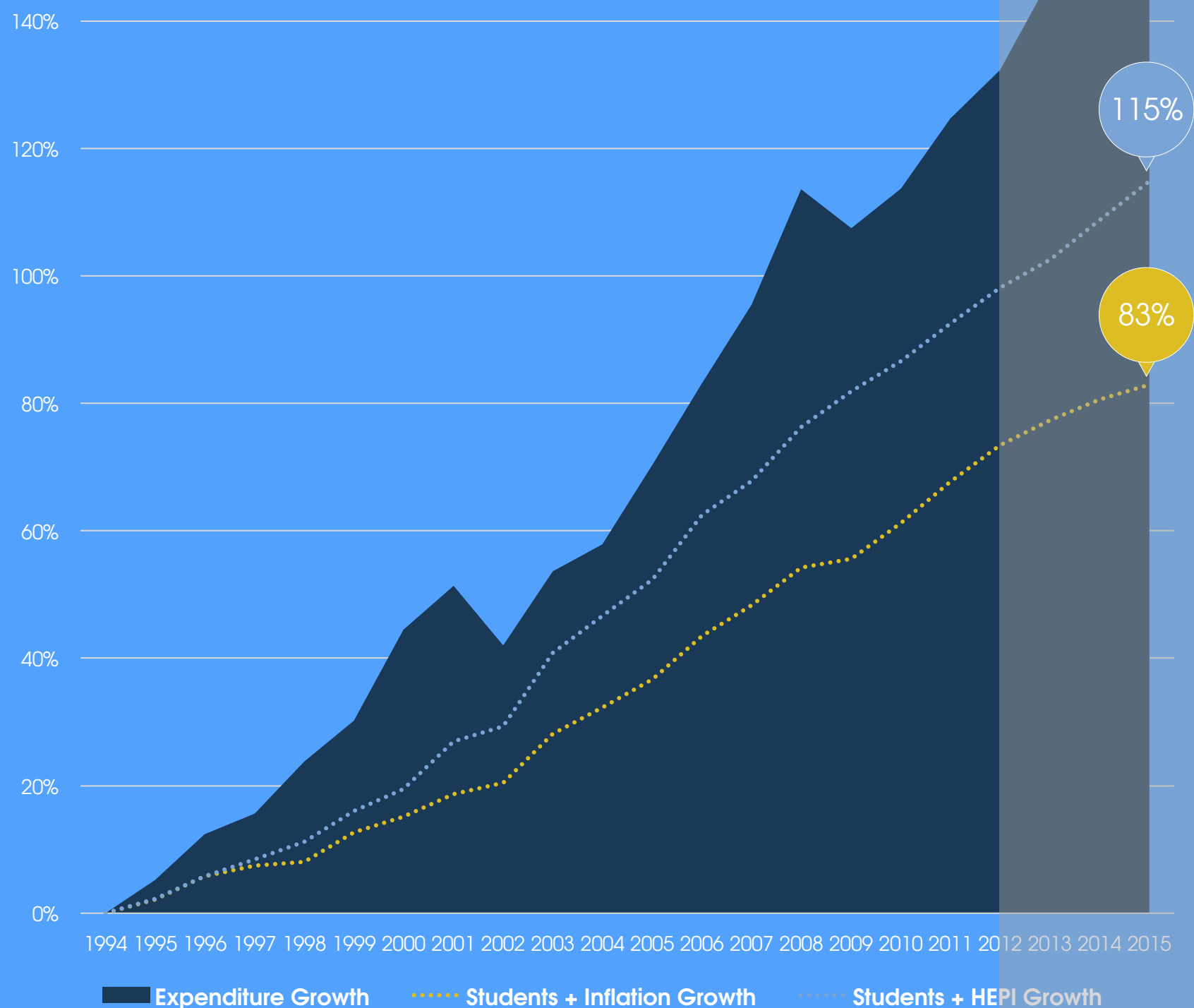
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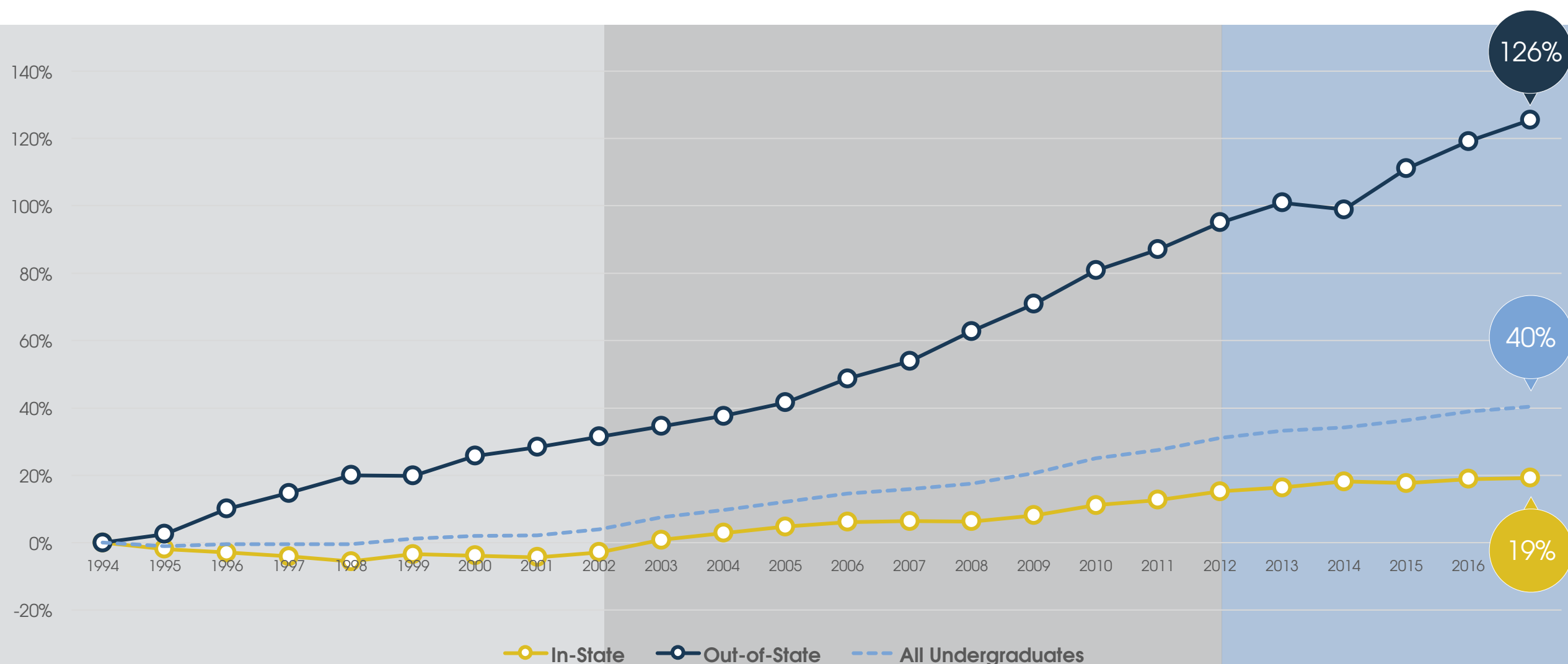
Rapid Expansion 2002-2012

Lottery funding, extensive increases in tuition rates, and enormous additions of out-of-state students fuel rapid expenditure expansion.

Momentum Expansion 2012+

Continued need to pay for expanded infrastructure and other inflationary increases drives larger shift toward out-of-state tuition revenues as college attendance rates begin to decline.

Undergraduate Enrollment Growth Phases



High Growth 1994-2002

Undergraduate enrollment increases 4% over this period, with a 31% increase in out-of-state and a 3% **decrease** in S.C. students.



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Commission on Higher Education

Rapid Expansion 2002-2012

As lottery funds flow into the system, in-state students increase by another 19%. Out-of-state students continue their outpaced expansion, increasing 48% more.

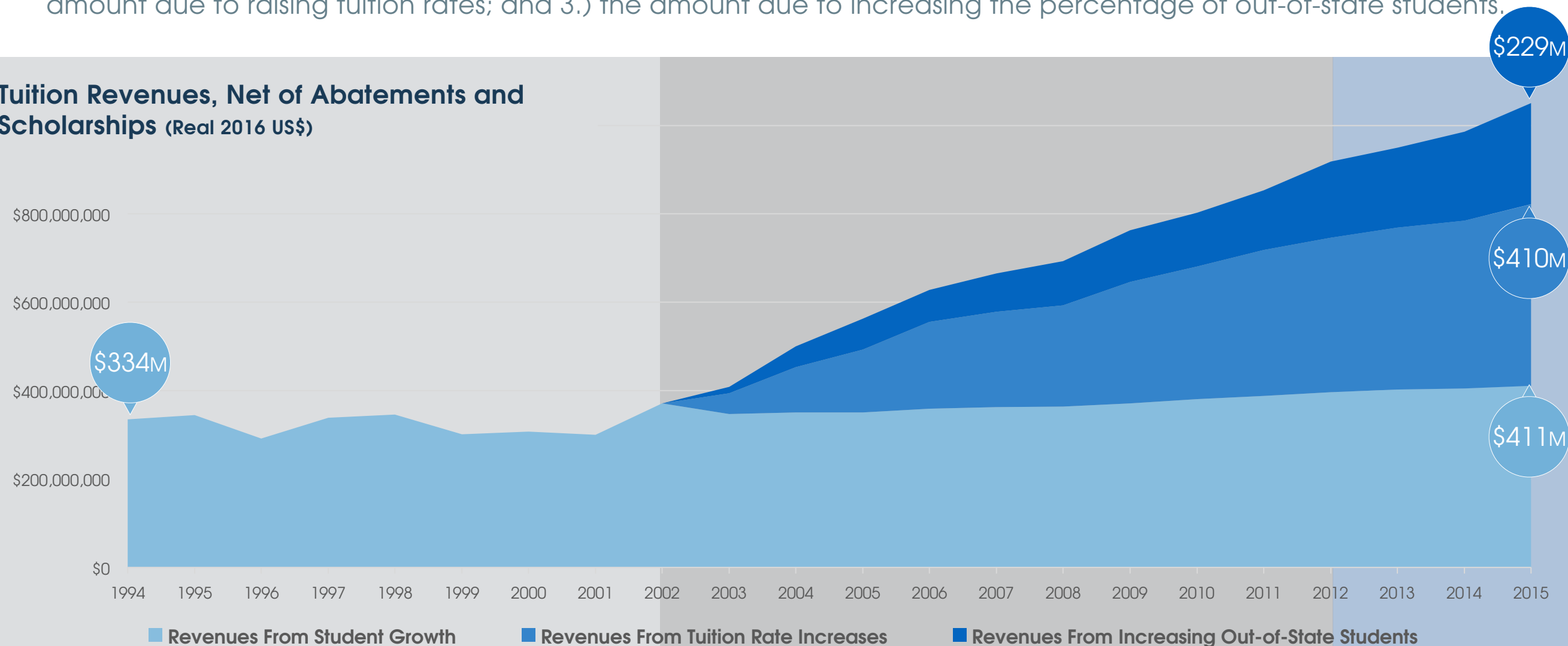
Momentum Expansion 2012+

A slow down in in-state student enrollments is offset by a more rapid increase in out-of-state student enrollments, facilitated by increasing abatements.

Net Tuition Growth Phases

Net tuition revenues can be dissected into three components: 1.) the amount from adding more students; 2.) the amount due to raising tuition rates; and 3.) the amount due to increasing the percentage of out-of-state students.

Tuition Revenues, Net of Abatements and Scholarships (Real 2016 US\$)



High Growth 1994-2002

Net tuition revenues increase relatively equal to inflation.

Rapid Expansion 2002-2012

As lottery funds flow into the system, tuition rates skyrocket and out-of-state students grow as a percentage of undergraduates.

Momentum Expansion 2012+

As abatements increase to attract out-of-state students in a declining market, more out-of-state students are added to maintain revenue growth.



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Future
higher
education
trends will
further
pressure
the system.

Shrinking Applicant Pool

Combined with declining state and national Higher Ed enrollments, the projected decreasing number of high school graduates will further shrink the pool.

Increasing Costs, Declining Returns

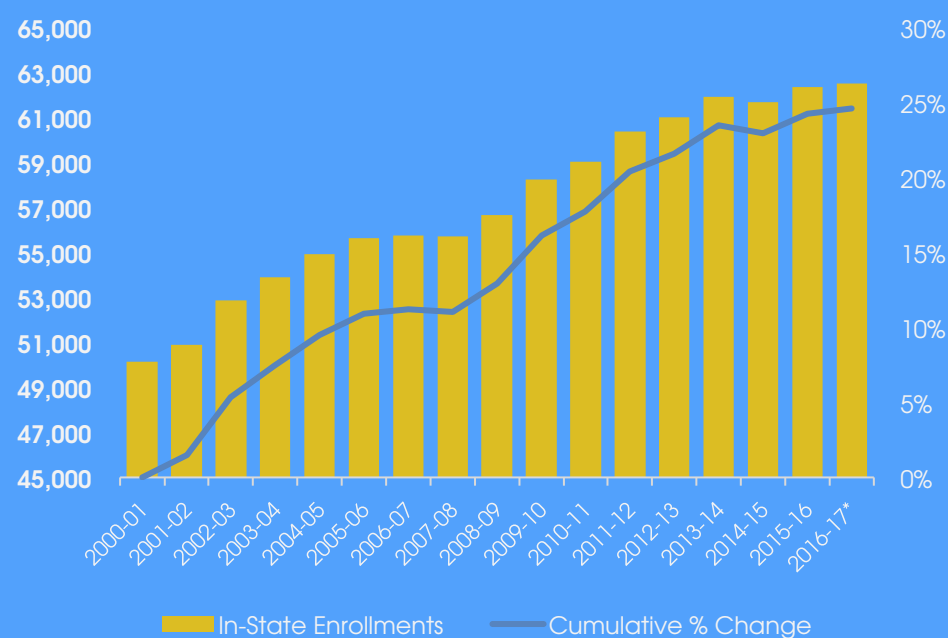
Student debt levels are at all time highs, while the financial returns to a 4-year degree have been diminishing.

Increased Search for Affordable Alternative Opportunities

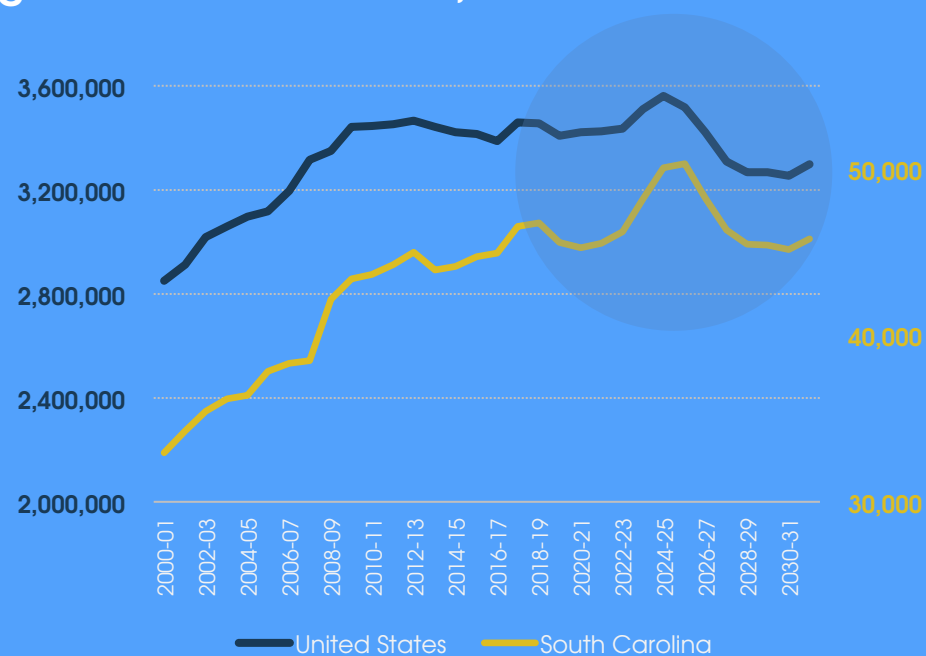
As costs at 4-year colleges soar and the nation faces a skilled worker shortage, government searches for less costly, practical alternatives.



S.C. 4-Year Public In-State Enrollment, 2000-2016



High-School Graduates, 2000 - 2030



Declining Applicant Pool

Higher Ed Enrollments Down Overall, Leveling at 4-Year Institutions

Across the U.S., overall Higher Ed enrollments have been declining since 2011, largely driven by drops in 2-year and for-profit students. At the same time, enrollment changes in 4-year public and private non-profits have been hovering between -0.6% and 1%, the lowest level in recent history. South Carolina's in-state enrollments at 4-year public universities have been leveling off since 2013.

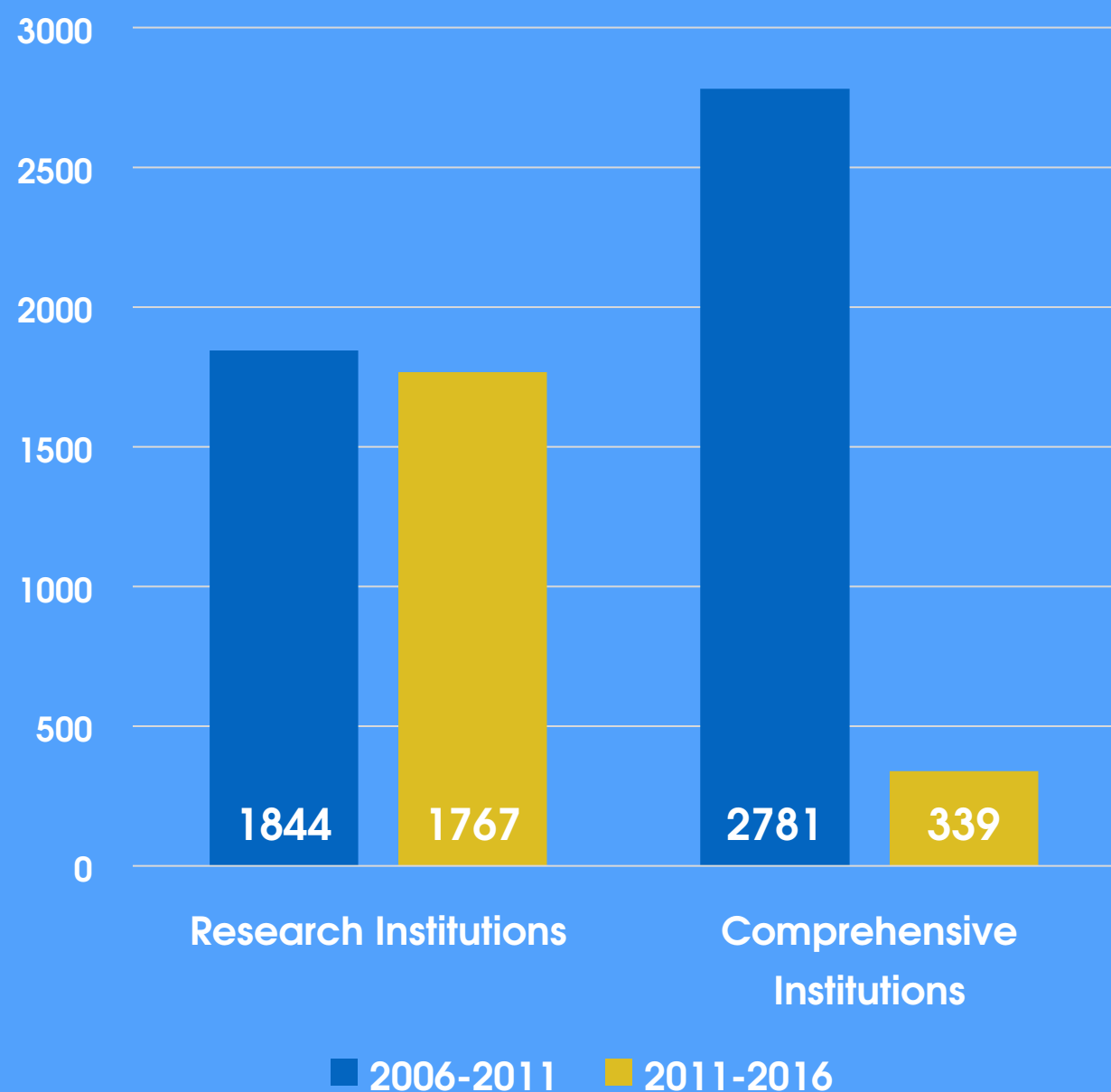
High School Student Growth Stagnating Nationally

Until 2022, the number of U.S. high school graduates is expected to show virtually zero growth, pressuring the supply of out-of-state students. In S.C., growth is projected to be only 2.8% over the entire period, significantly lower than the preceding period. Both the state and nation expect large declines beginning in 2026.

Declining In-State Applicant Pool

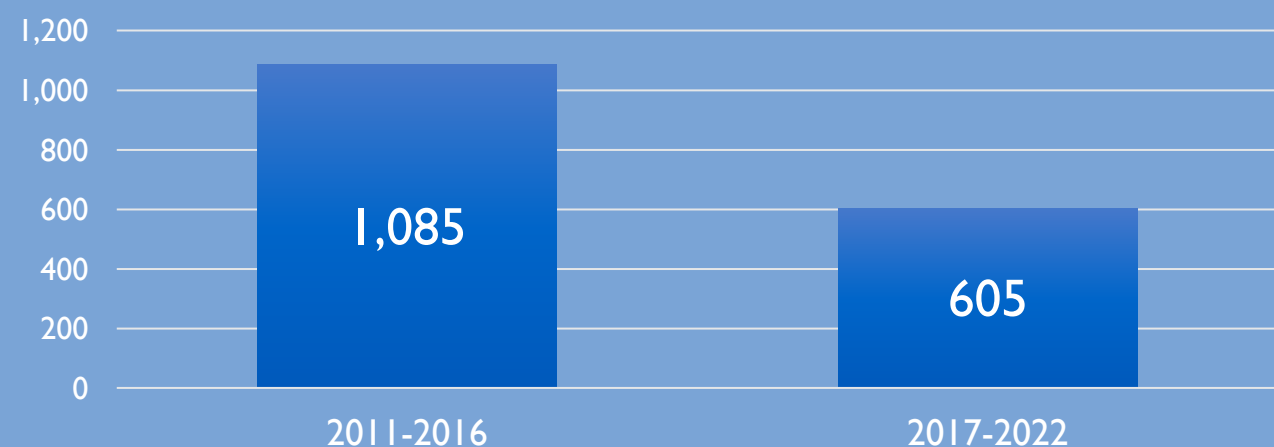
Demographics and demand threaten the supply of in-state students.

In-State Enrollment Growth



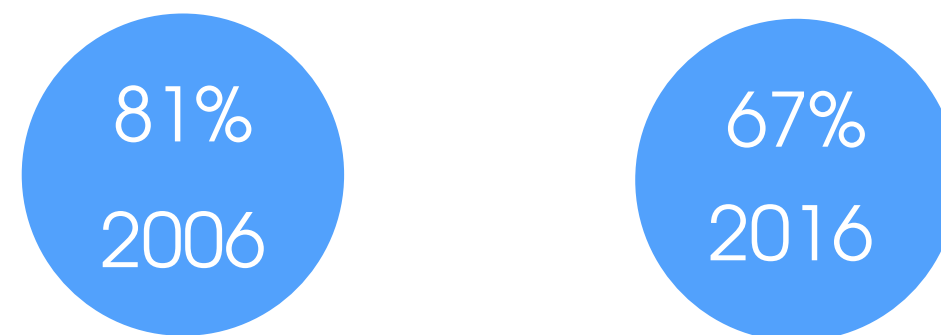
Declining applicant pool

South Carolina High School Graduate Growth



(Source: Western Interstate Commission for Higher Education)

Declining demand



Annual percentage of South Carolina high school graduates attending a South Carolina higher education institution



Declining Out-of-State Applicants

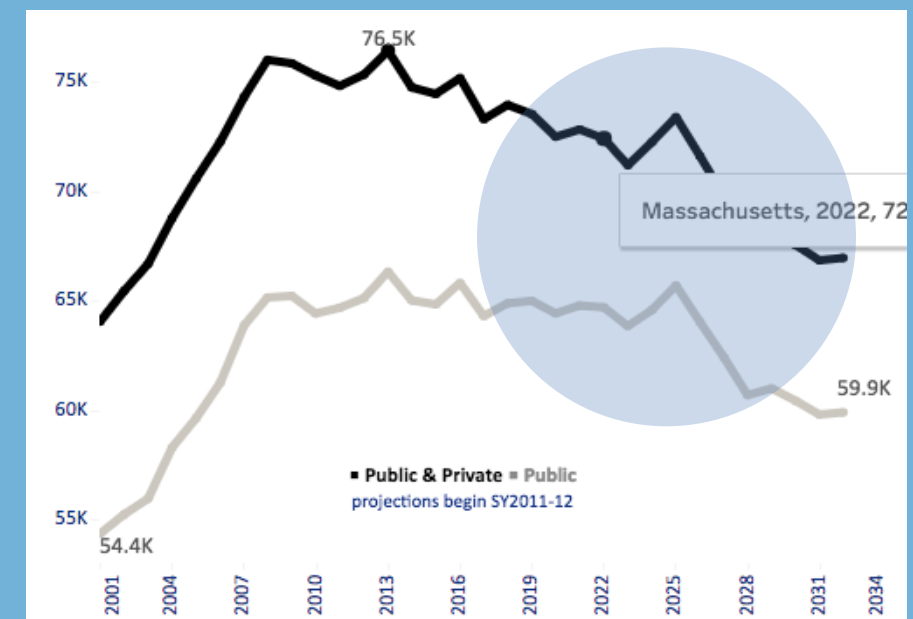
Outside of the South, the 5 top feeder states (making up roughly 1/3 of out-of-state students at S.C. colleges in 2016) are expecting declining or stagnant high school graduates.

Source: Western Interstate Commission for Higher Education, Knocking at the College Door: Projections of High School Graduates, 2016. Circles highlight 2017 and beyond.

Massachusetts

1380

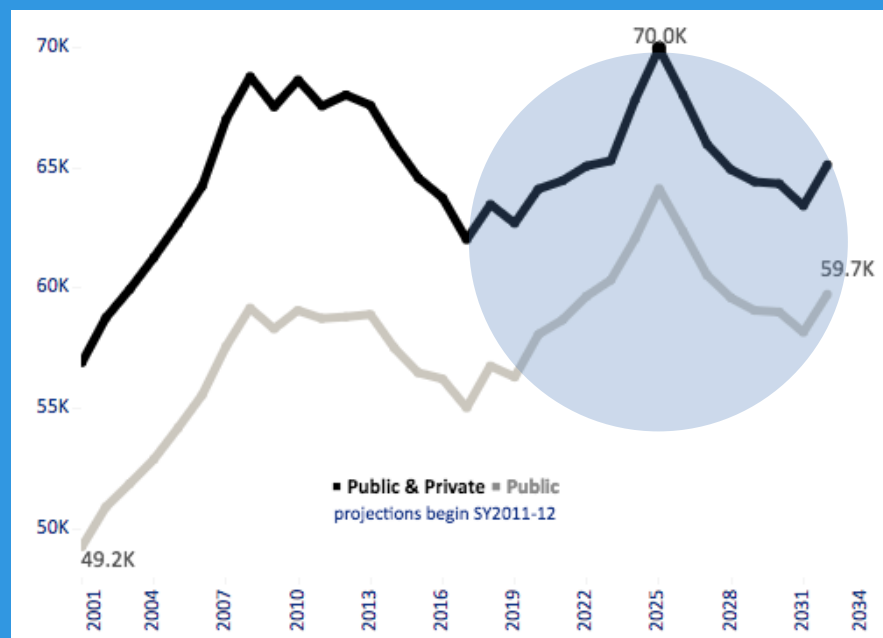
Students
4-Year Colleges
Fall 2016



Maryland

2542

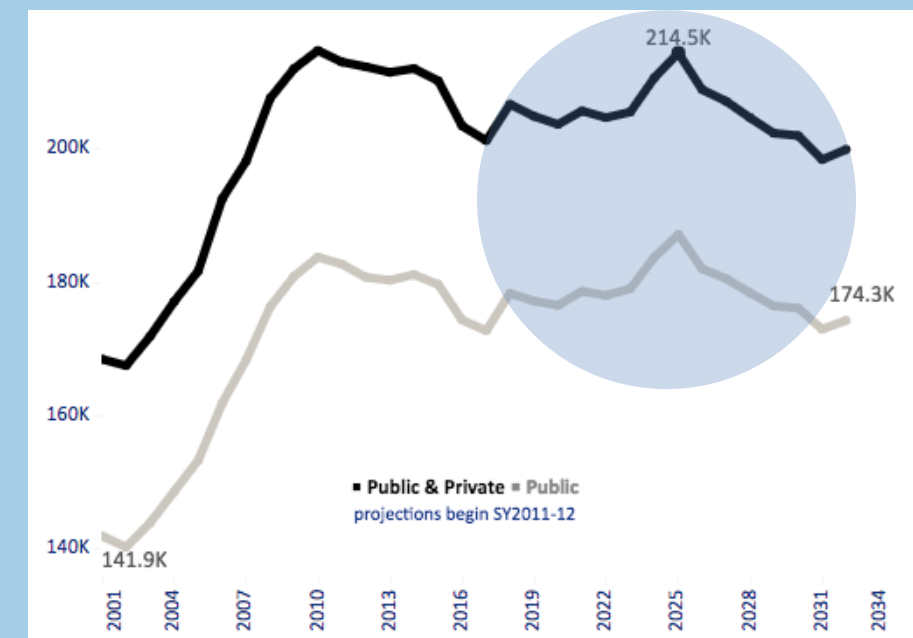
Students
4-Year Colleges
Fall 2016



New York

1735

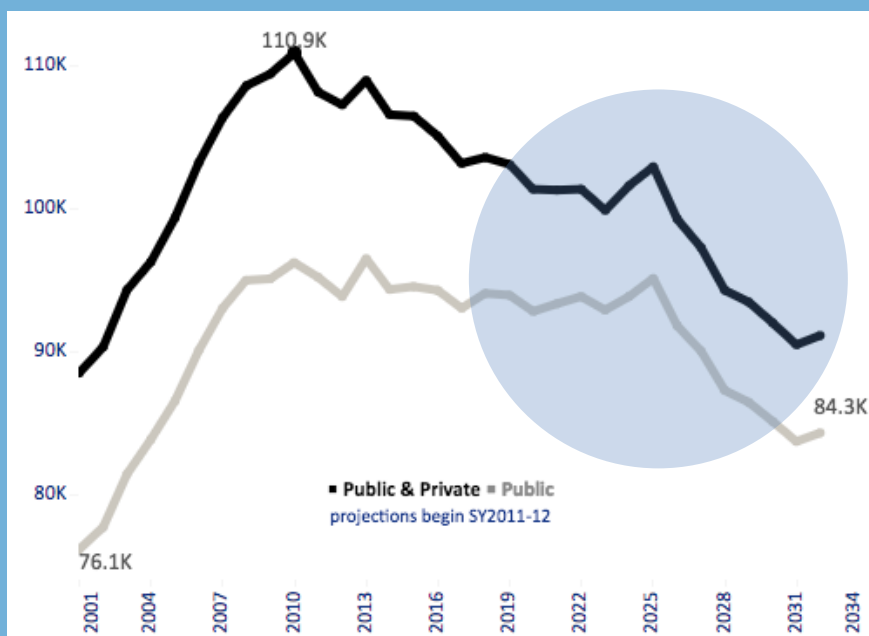
Students
4-Year Colleges
Fall 2016



New Jersey

2480

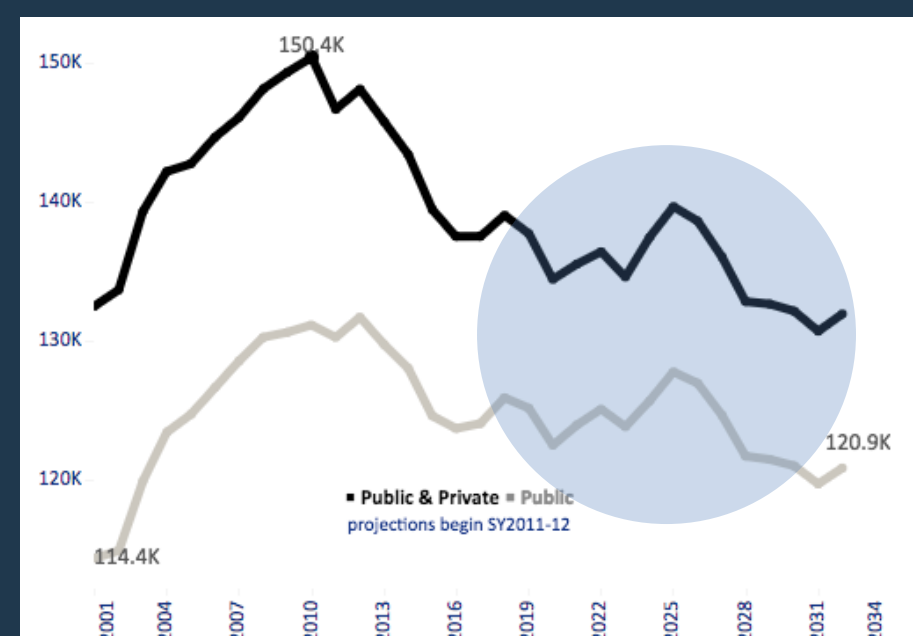
Students
4-Year Colleges
Fall 2016



Pennsylvania

1827

Students
4-Year Colleges
Fall 2016



Increasing Costs, Declining Returns

Falling Return on Investment

After rising significantly during the 1980's and 1990's to \$32,900, the earnings premium for a 4-year college degree had fallen by 2015 to \$29,867.

Rising Student Debt

In 2014, 59% of South Carolina 4-year graduates left school with an average of **\$29,163** in student debt, ranking **14th** in the nation. In 2001, that figure was \$13,531 for 49% of the state's 4-year graduates.

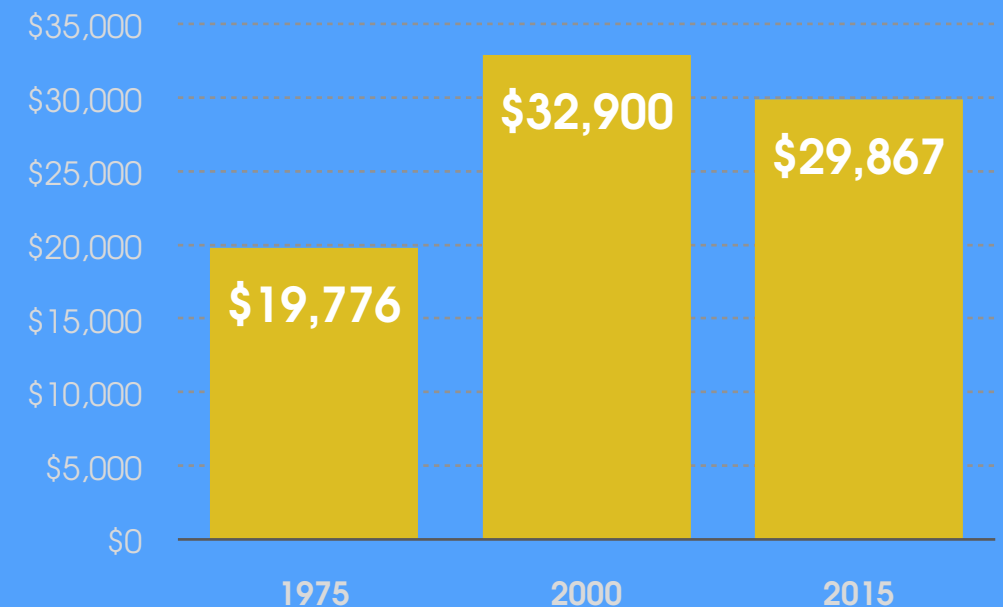
"In the mid-1970s, far less than 1 percent of taxi drivers were graduates. By 2010 more than 15 percent were."

The Diminishing Returns of a College Degree – June 4, 2017
THE WALL STREET JOURNAL.

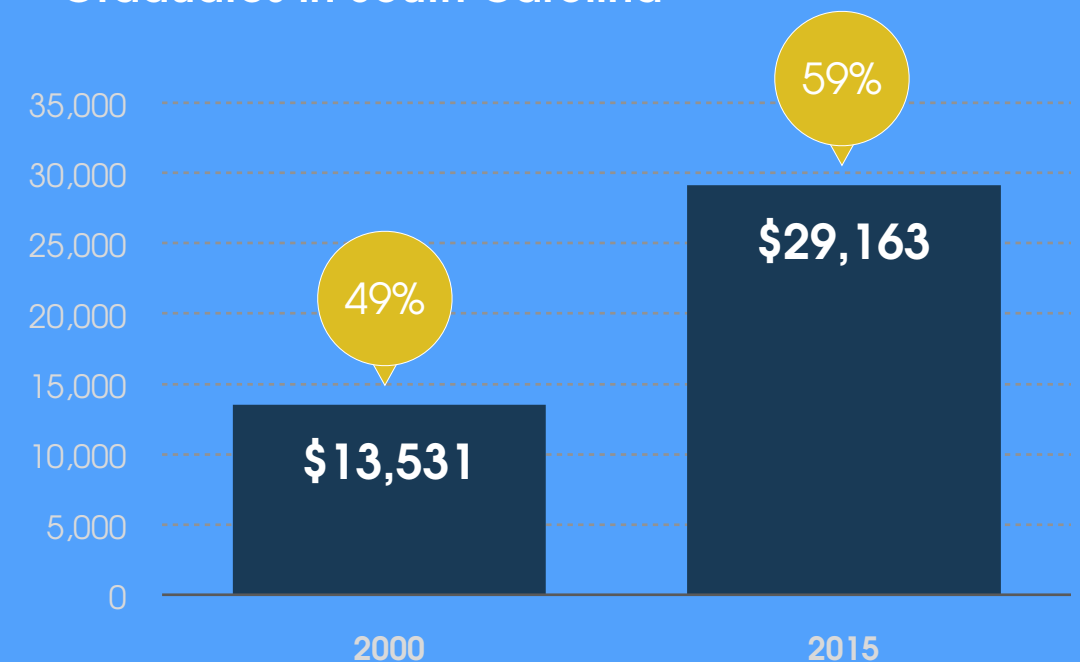


SOUTH CAROLINA
Commission on Higher Education

Annual Average Additional Amount Earned by a 4-Year College Graduate Than a High- School Graduate (inflation-adjusted 2015 US\$)



Average Student Debt of 4-Year College Graduates in South Carolina



Sources: U.S. Census. Educational Attainment in the United States: 2016.
Institute for College Access and Success. Project on Student Debt, 2015.

Increasing Search For Affordable Alternatives

As the cost of college soars amidst declining returns on degrees, multiple alternative career and education paths are being proposed and implemented throughout the nation.



Apprenticeships

In June, the President signed an executive order increasing apprenticeships in the U.S. Apprenticeship Carolina has over 14,475 active positions.



Online Education

Colleges, schools, and other organizations are increasingly offering online education for credit at an exceptionally reduced cost.



Free Education

New York recently announced free tuition at CUNY and SUNY schools for families making less than \$125,000.



Community Colleges

With a shortage of skilled labor across industries, a national effort has arisen to develop tradespeople through 2-year education.



Three future growth scenarios.



BLUE SKIES

All values (expenses, in and out-of-state enrollments, tuition, lottery scholarships, and abatements) continue their **10-year growth trend**. In-state graduate students stop their decline and **flatten**. State Appropriations grow at the value of **CPI (inflation)**.



GREY CLOUDS

Expenditures and lottery scholarships continue their **10-year growth trend**. State appropriations grow at **CPI (inflation)**. Increasing price competition from other colleges, combined with declining nationwide enrollments, slow tuition increases to the **Higher Education Price Index (HEPI)**. Out-of-state enrollment **flattens**. In-state enrollments across all 4-years follow their more recent **5-year trend** of slowing enrollments. Net tuition grows at **HEPI plus student growth**.



DARK STORMS

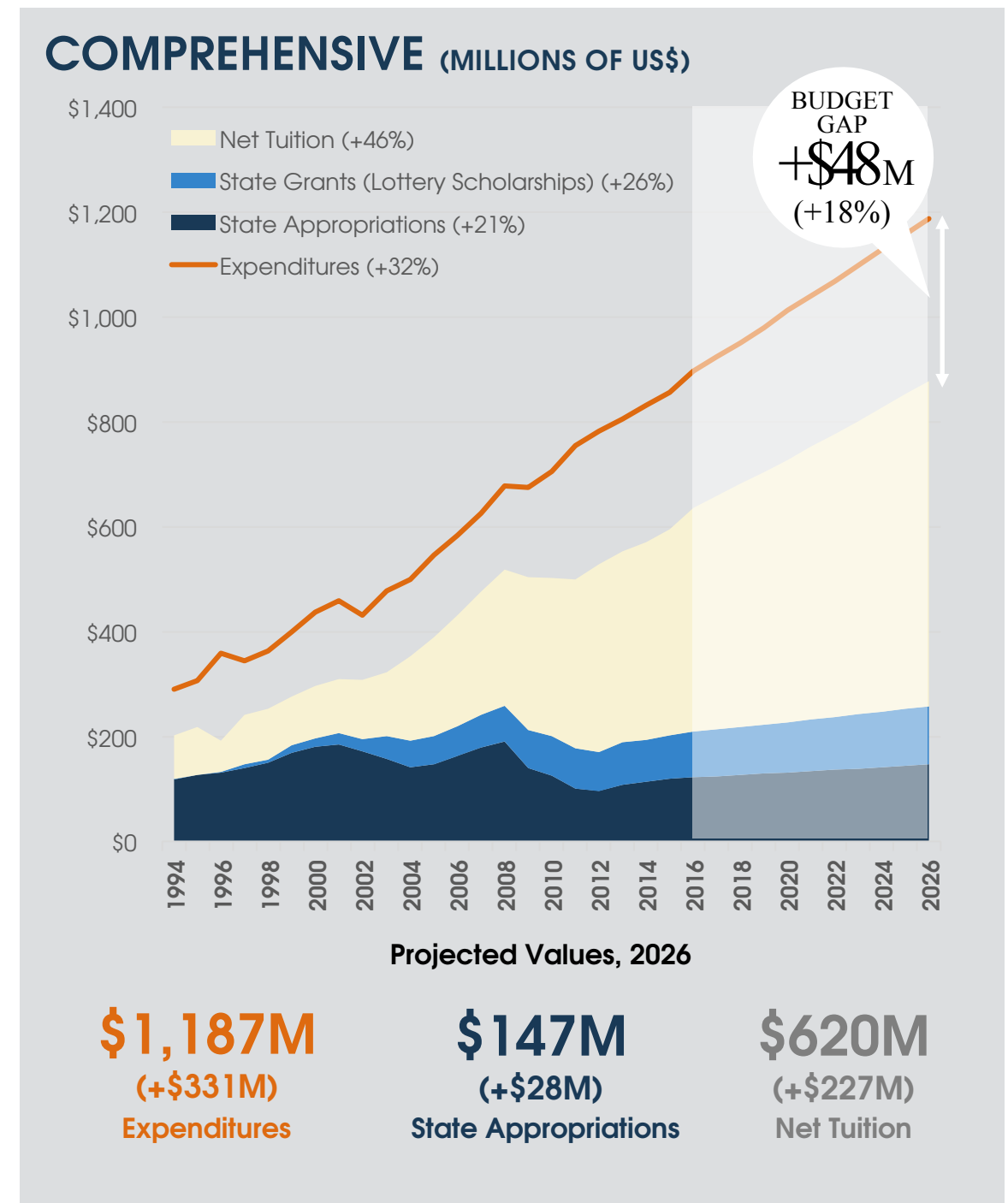
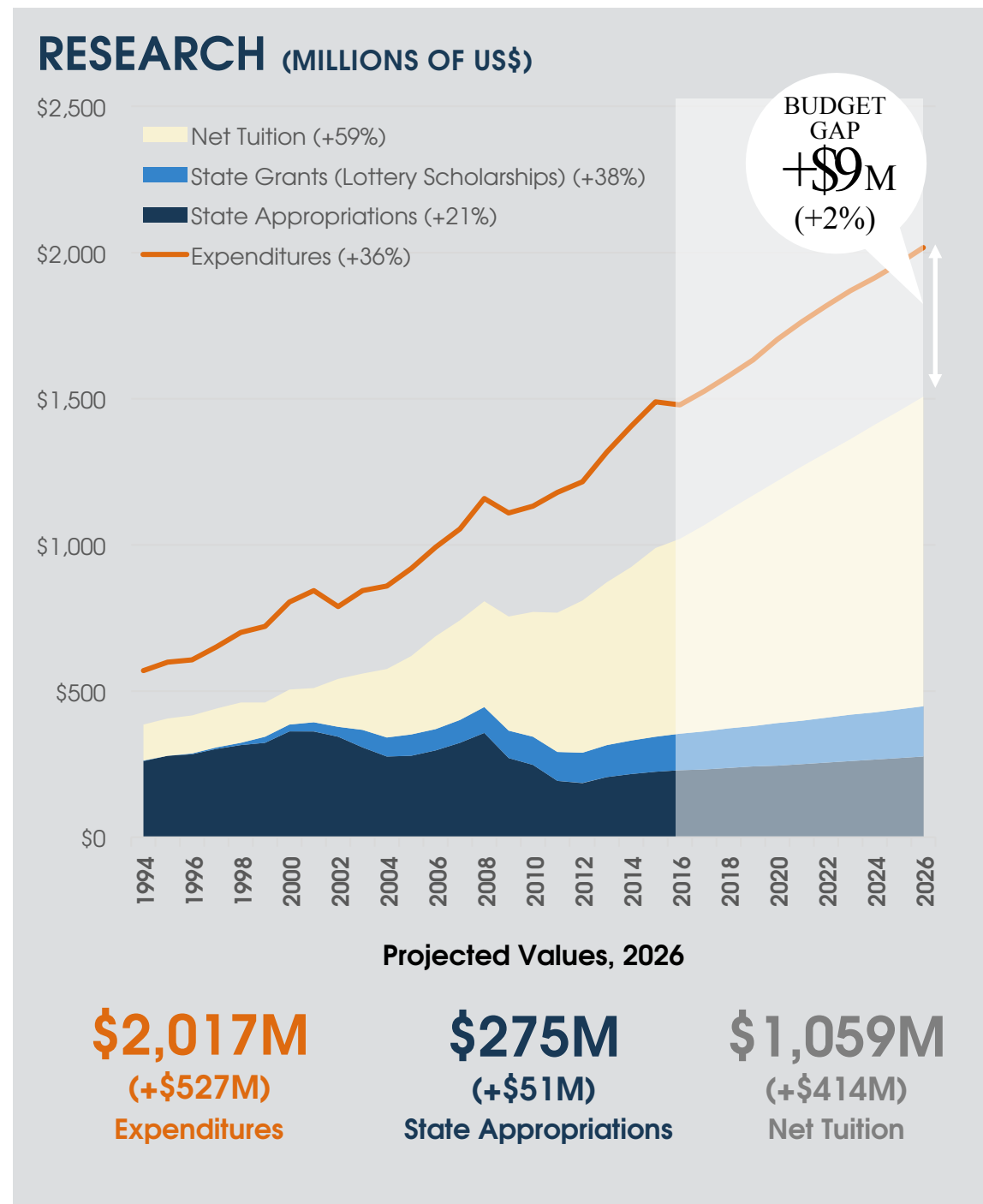
Expenditures continue their **10-year growth trend**. Lottery scholarships slow to **CPI plus student growth**. State appropriations are **flat**. Under increasing price competition from other colleges, combined with declining nationwide enrollments, out-of-state enrollment **declines**, and tuition increases **flatten**. In-state enrollments across all 4-years follow their more recent **5-year trend** of slowing enrollments. Net tuition grows at **CPI plus student growth**.

Growth Scenarios: BLUE SKIES

36

FINANCIALS

All values (expenses, in and out-of-state enrollments, tuition, lottery scholarships, and abatements) continue their **10-year growth trend**. State Appropriations grow at the value of **CPI (inflation)**.



SOUTH CAROLINA
Commission on Higher Education

*Notes: Budget Gap is the difference between total expenses and revenues from net tuition, state appropriations, and lottery scholarships that must be filled with federal grants, other grants, sales and services. Sources: University of South Carolina System Abatement 10-Year Report, 2007-08 to 2016-7. FY2016 Abatement Dataset, provided by University of South Carolina. South Carolina Higher Education Statistical Abstracts, 1987-2016. Consumer Price Index, Bureau of Labor Statistics. Higher Education Price Index (HEPI), Commonfund Institute, 2016.

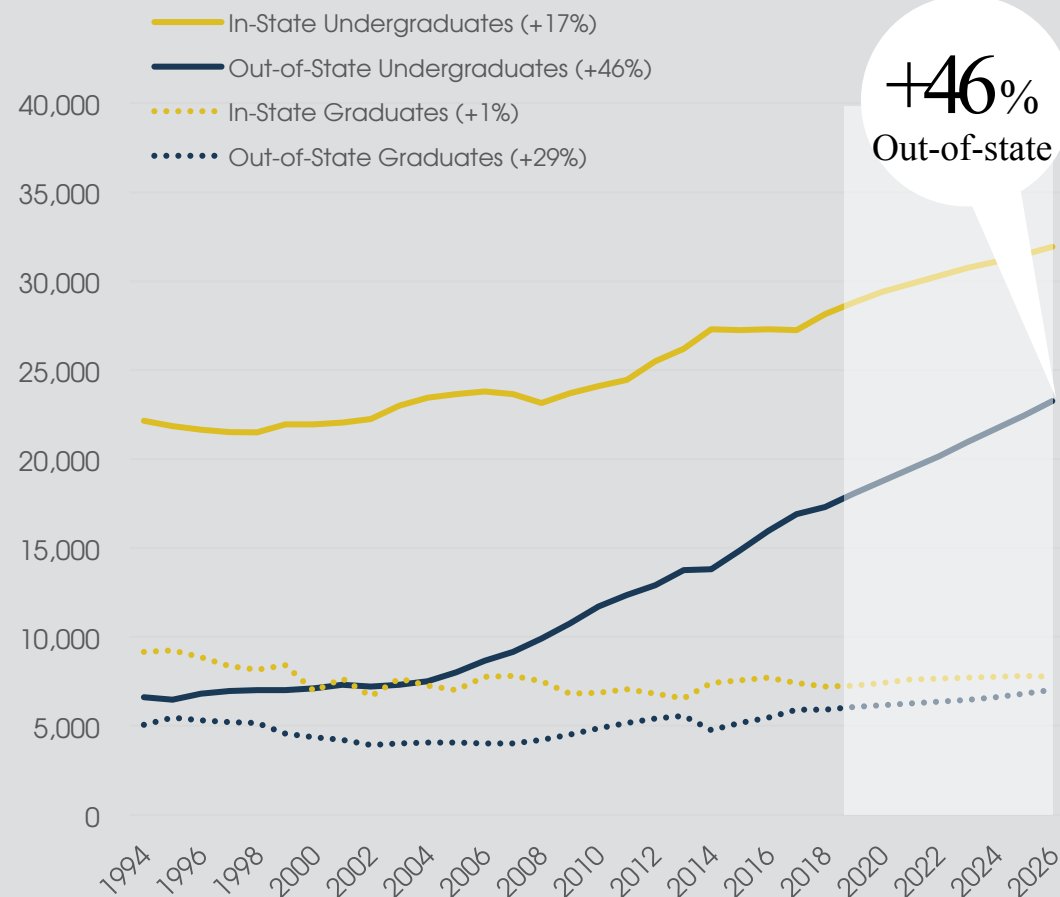
Growth Scenarios: BLUE SKIES

37

ENROLLMENTS

All values (expenses, in and out-of-state enrollments, tuition, lottery scholarships, and abatements) continue their **10-year growth trend**. State Appropriations grow at the value of **CPI (inflation)**.

RESEARCH

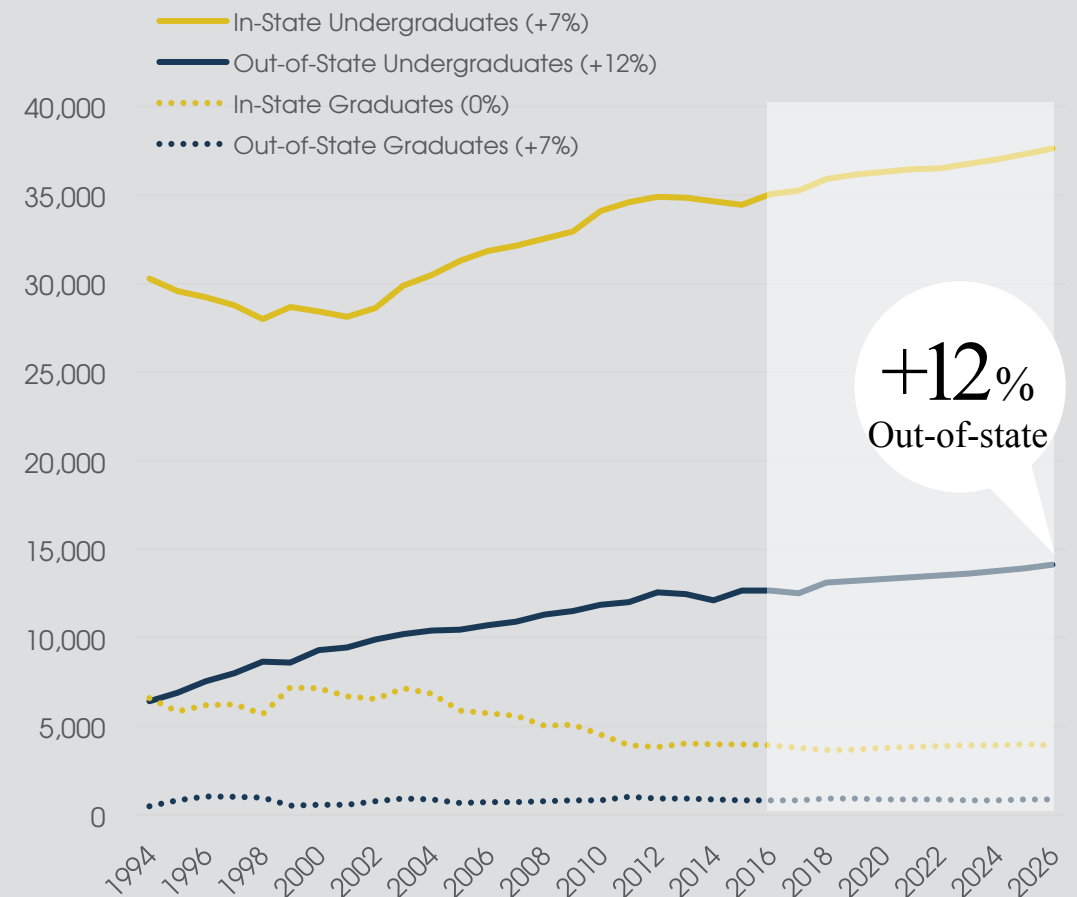


31,962
(+4,668)
In-State
Undergraduates

23,257
(+8,389)
Out-of-State
Undergraduates

43%
Out-of-State as
% of All Students

COMPREHENSIVE



37,628
(+3,205)
In-State
Undergraduates

14,138
(+1,461)
Out-of-State
Undergraduates

27%
Out-of-State as
% of All Students



SOUTH CAROLINA
Commission on Higher Education

*Notes: Budget Gap is the difference between total expenses and revenues from net tuition, state appropriations, and lottery scholarships that must be filled with federal grants, other grants, sales and services. Sources: University of South Carolina System Abatement 10-Year Report, 2007-08 to 2016-7. FY2016 Abatement Dataset, provided by University of South Carolina. South Carolina Higher Education Statistical Abstracts, 1987-2016. Consumer Price Index, Bureau of Labor Statistics. Higher Education Price Index (HEPI), Commonfund Institute, 2016.

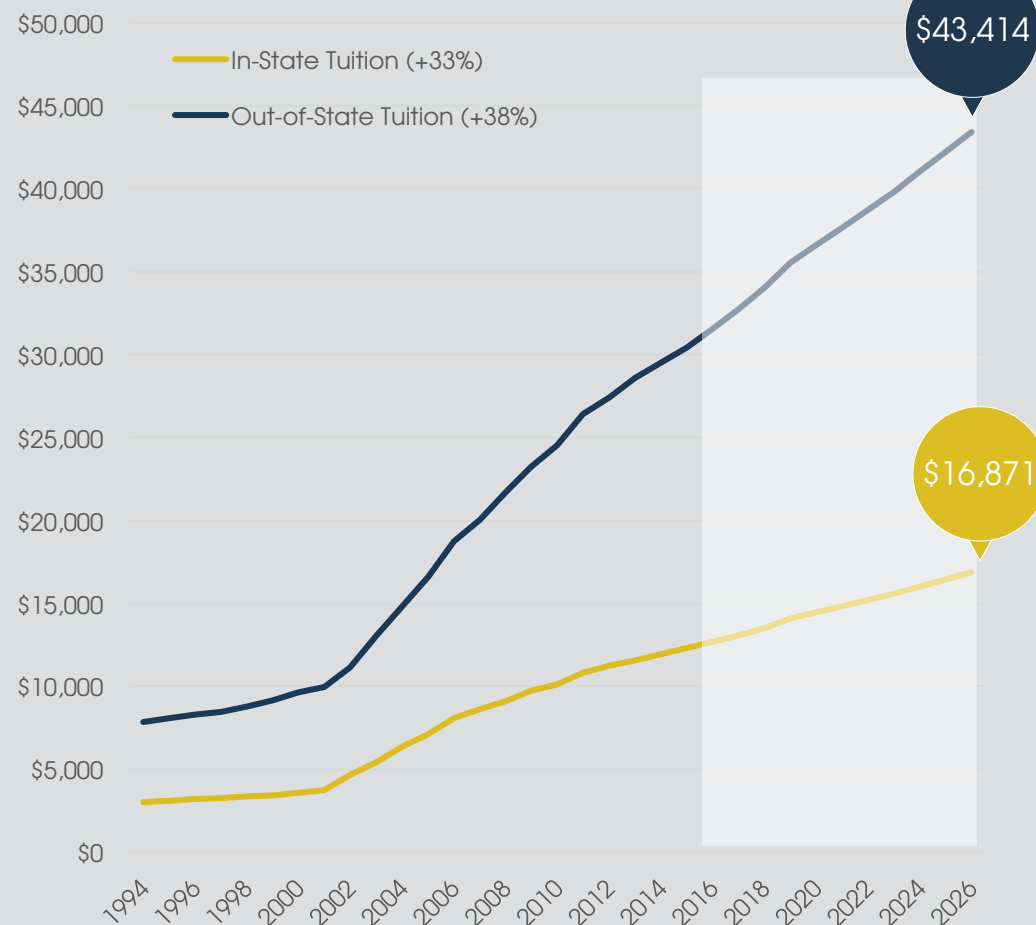
Growth Scenarios: BLUE SKIES

38

TUITION

All values (expenses, in and out-of-state enrollments, tuition, lottery scholarships, and abatements) continue their **10-year growth trend**. State Appropriations grow at the value of **CPI (inflation)**.

RESEARCH

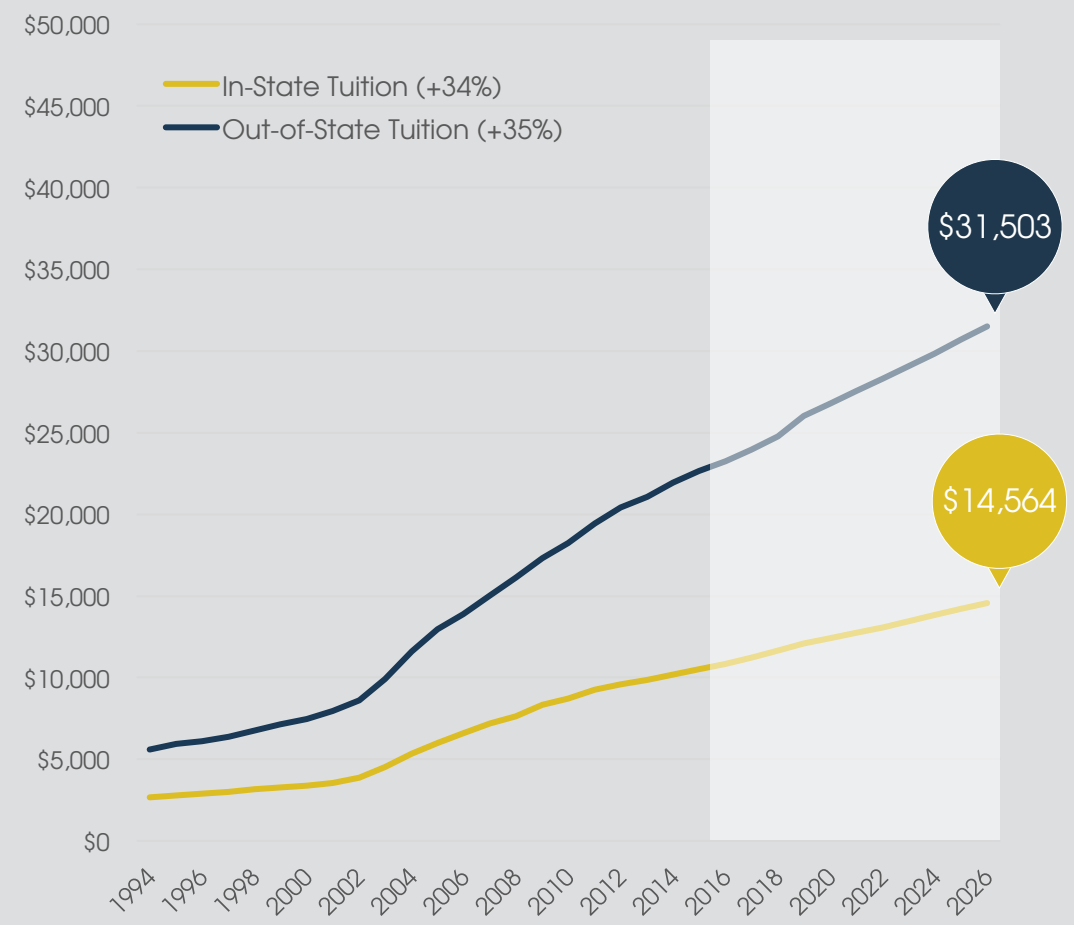


Projected Values, 2026

\$16,871
(+\$4,569)
In-State Tuition

\$43,414
(+\$12,965)
Out-of-State Tuition

COMPREHENSIVE



Projected Values, 2026

\$14,564
(+\$4,054)
In-State Tuition

\$31,503
(+\$8,838)
Out-of-State Tuition



SOUTH CAROLINA
Commission on Higher Education

*Notes: Budget Gap is the difference between total expenses and revenues from net tuition, state appropriations, and lottery scholarships that must be filled with federal grants, other grants, sales and services. Sources: University of South Carolina System Abatement 10-Year Report, 2007-08 to 2016-7. FY2016 Abatement Dataset, provided by University of South Carolina. South Carolina Higher Education Statistical Abstracts, 1987-2016. Consumer Price Index, Bureau of Labor Statistics. Higher Education Price Index (HEPI), Commonfund Institute, 2016.

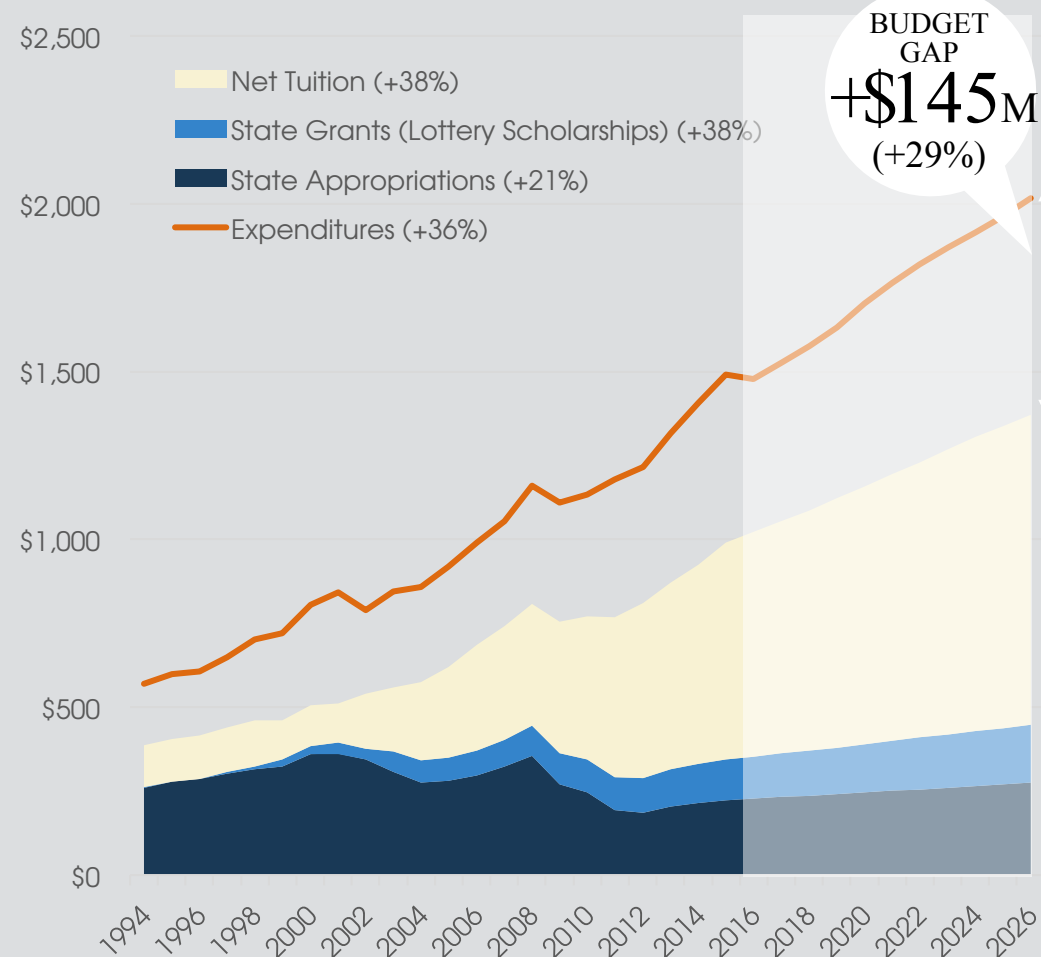
Growth Scenarios: GREY CLOUDS

39

FINANCIALS

Expenditures and lottery scholarships continue their **10-year trend**. State appropriations grow at **inflation**. Competition from other colleges, plus declining nationwide enrollments, slow tuition increases to the rate of **HEPI**. Out-of-state enrollment **flattens**. In-state enrollments grow at more recent **5-year trend**.

RESEARCH (MILLIONS OF US\$)



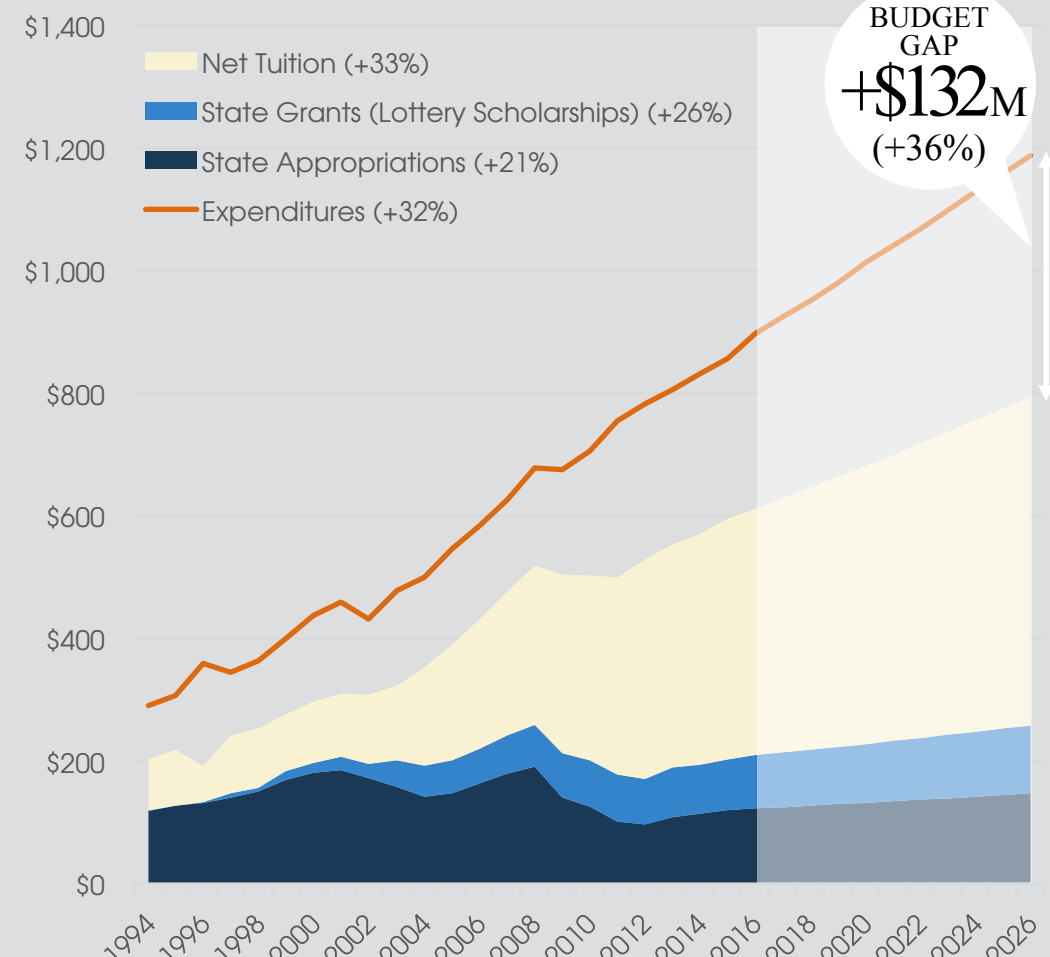
Projected Values, 2026

\$2,017M
(+\$527M)
Expenditures

\$275M
(+\$51M)
State Appropriations

\$923M
(+\$278M)
Net Tuition

COMPREHENSIVE (MILLIONS OF US\$)



Projected Values, 2026

\$1,187M
(+\$331M)
Expenditures

\$147M
(+\$28M)
State Appropriations

\$536M
(+\$143M)
Net Tuition



SOUTH CAROLINA
Commission on Higher Education

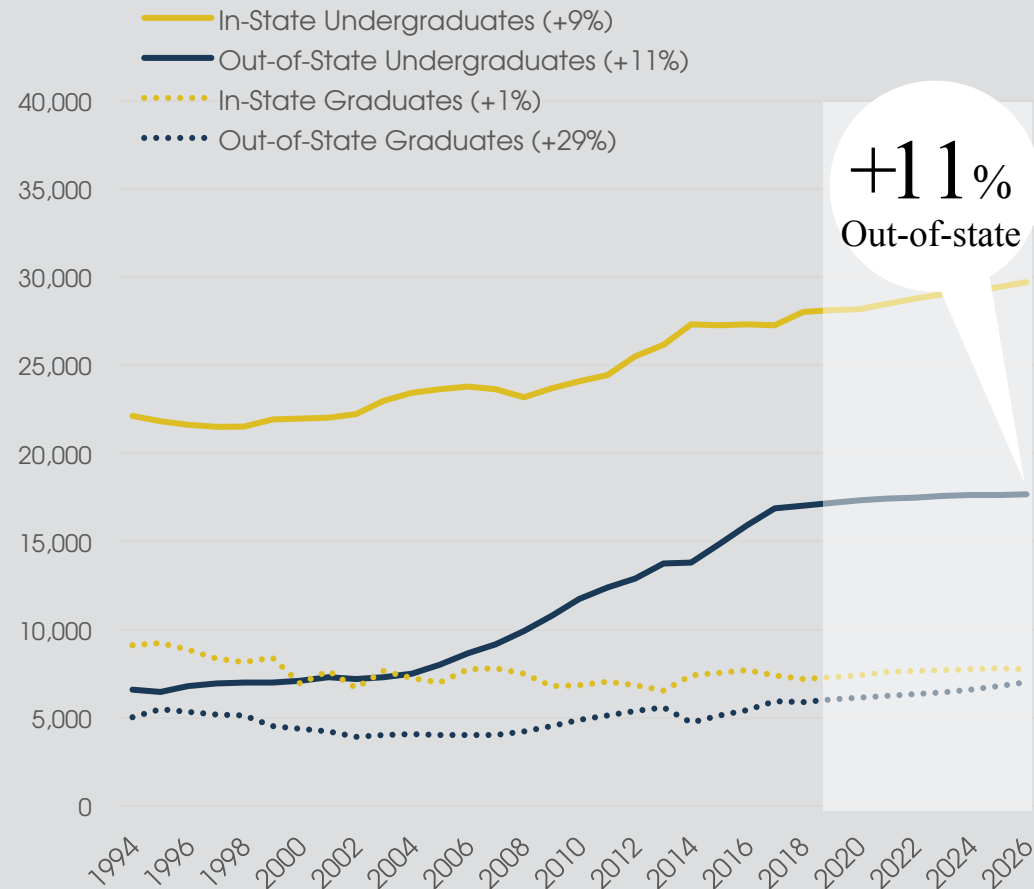
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Growth Scenarios: GREY CLOUDS

ENROLLMENTS

Expenditures and lottery scholarships continue their **10-year trend**. State appropriations grow at **inflation**. Competition from other colleges, plus declining nationwide enrollments, slow tuition increases to the rate of **HEPI**. Out-of-state enrollment **flattens**. In-state enrollments grow at more recent **5-year trend**.

RESEARCH



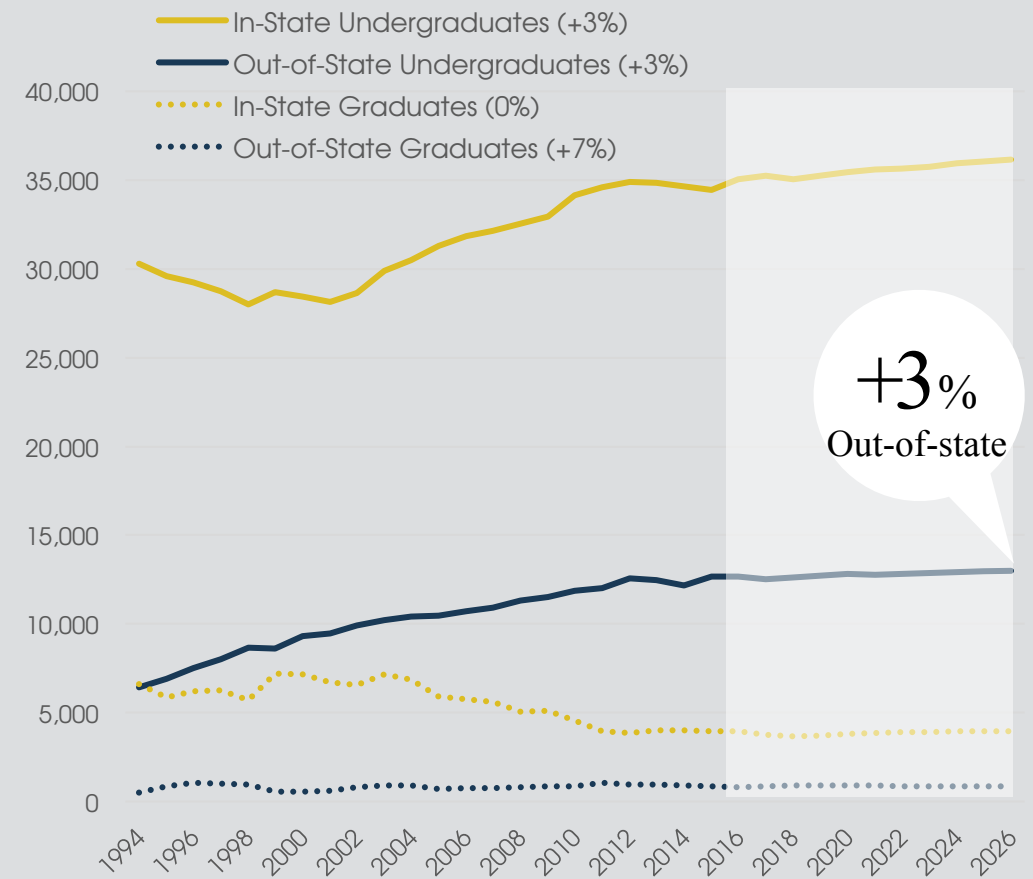
Projected Values, 2026

29,718
(+2,460)
In-State
Undergraduates

17,687
(+2,819)
Out-of-State
Undergraduates

40%
Out-of-State as
% of All Students

COMPREHENSIVE



Projected Values, 2026

36,155
(+1,731)
In-State
Undergraduates

12,994
(+317)
Out-of-State
Undergraduates

27%
Out-of-State as
% of All Students



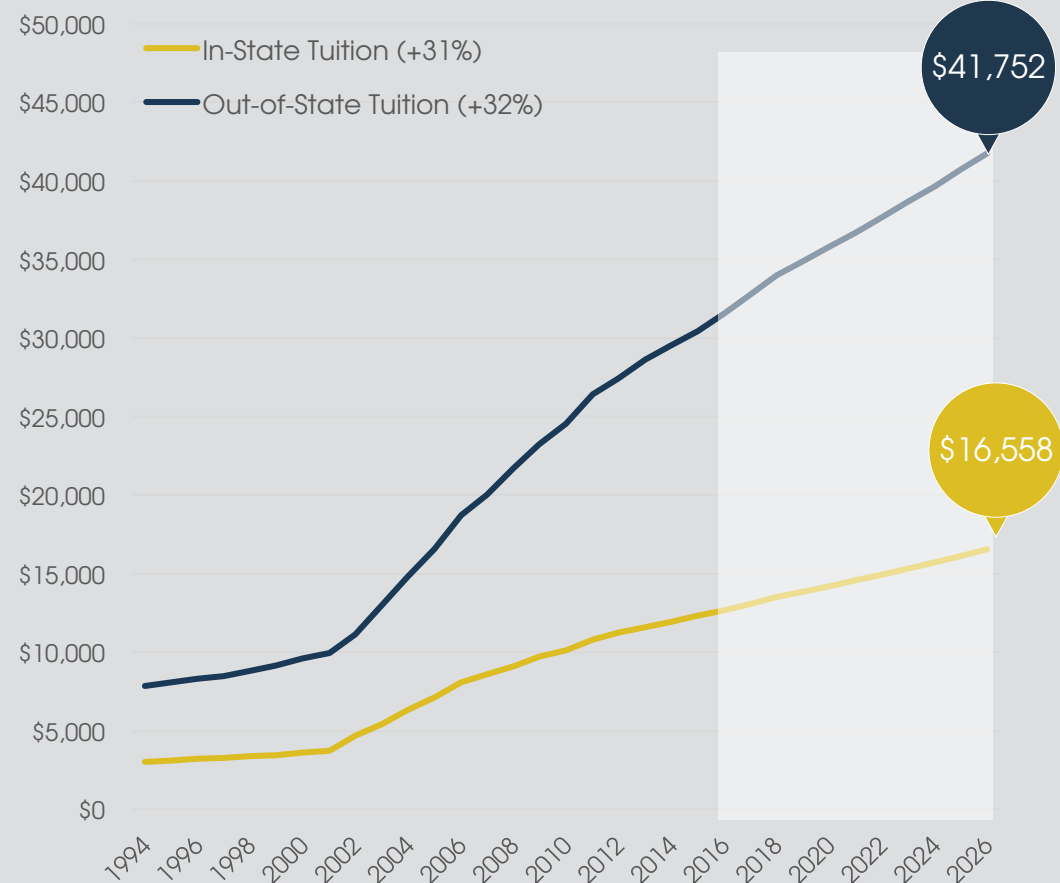
Growth Scenarios: GREY CLOUDS

41

TUITION

Expenditures and lottery scholarships continue their **10-year trend**. State appropriations grow at **inflation**. Competition from other colleges, plus declining nationwide enrollments, slow tuition increases to the rate of **HEPI**. Out-of-state enrollment **flattens**. In-state enrollments grow at more recent **5-year trend**.

RESEARCH

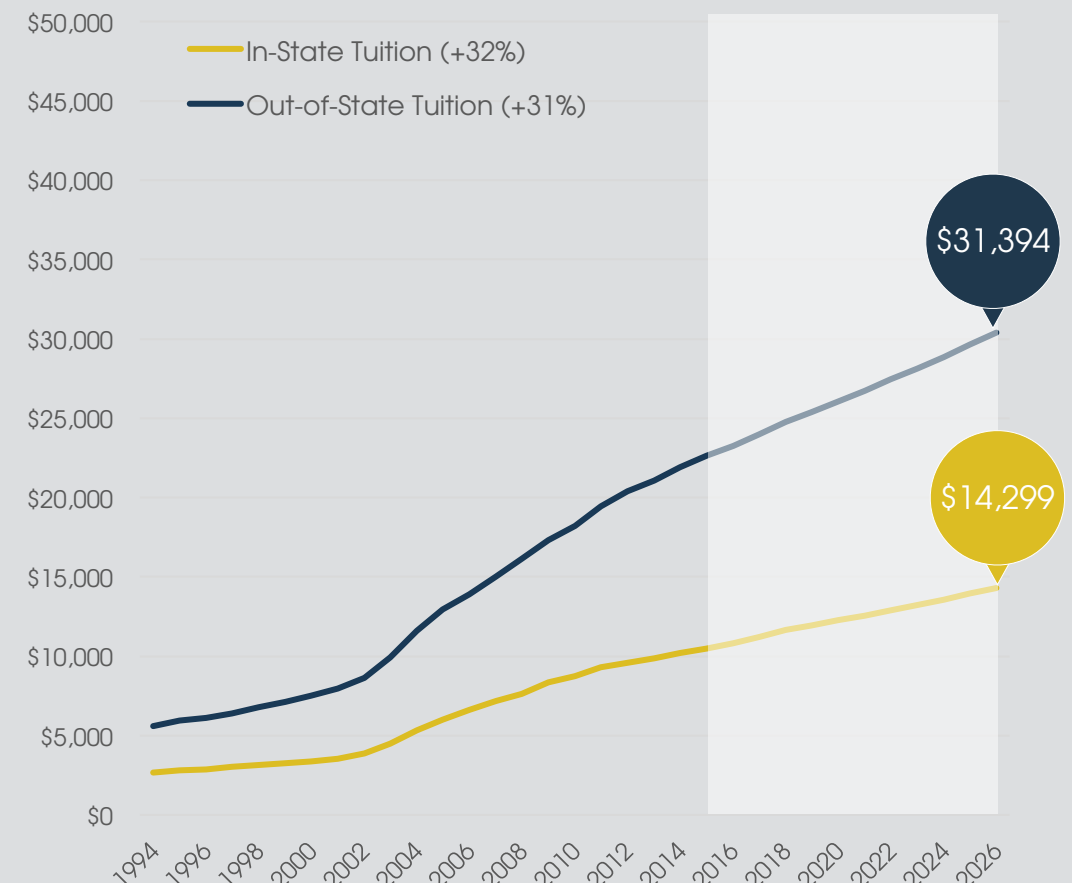


Projected Values, 2026

\$16,558
(+\$4,256)
In-State Tuition

\$41,752
(+\$11,301)
Out-of-State Tuition

COMPREHENSIVE



Projected Values, 2026

\$14,299
(+\$3,778)
In-State Tuition

\$31,394
(+\$7,729)
Out-of-State Tuition



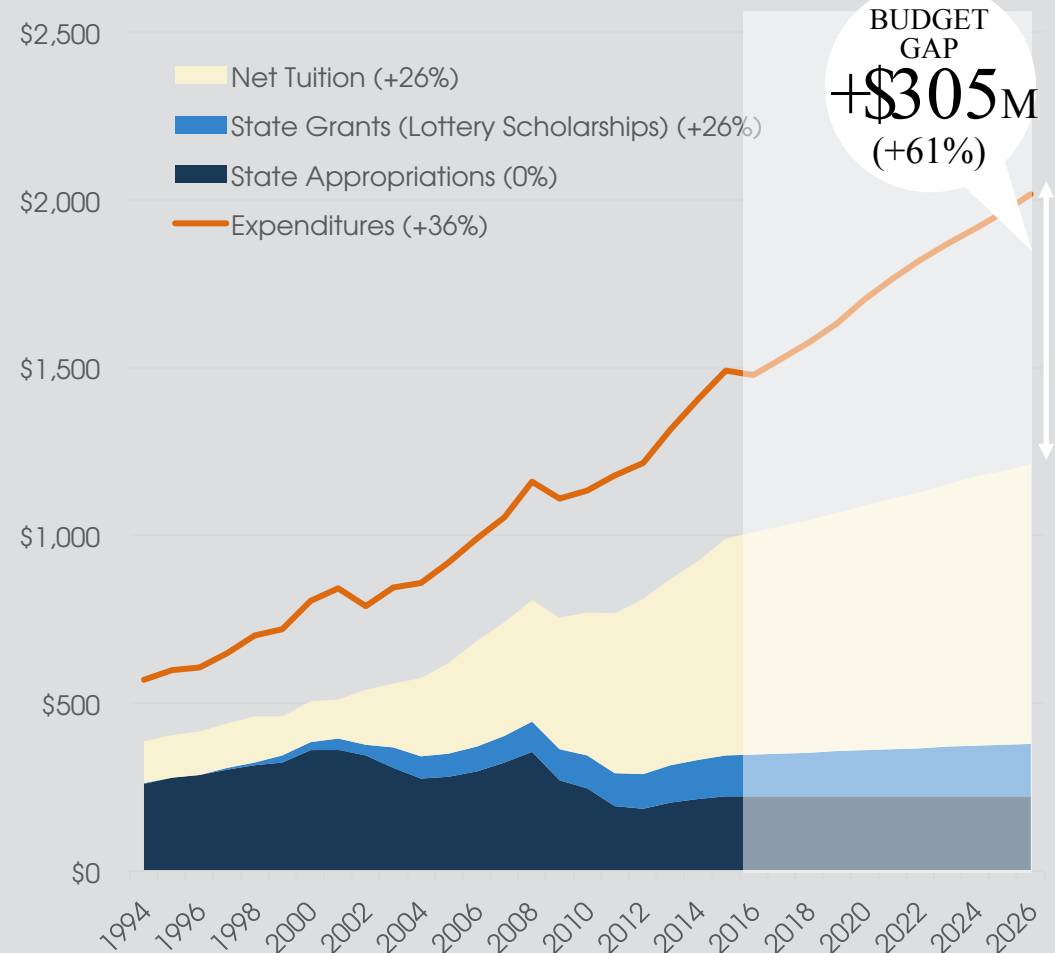
Growth Scenarios: DARK STORMS

42

FINANCIALS

Expenditures continue their **10-year trend**. Lottery scholarships slow to **CPI plus student growth**. State appropriations **are flat**. Price competition from other colleges, combined with declining nationwide enrollments, cause out-of-state enrollment **declines**, in-state enrollment **leveling**, and tuition rate **slowing**.

RESEARCH (MILLIONS OF US\$)



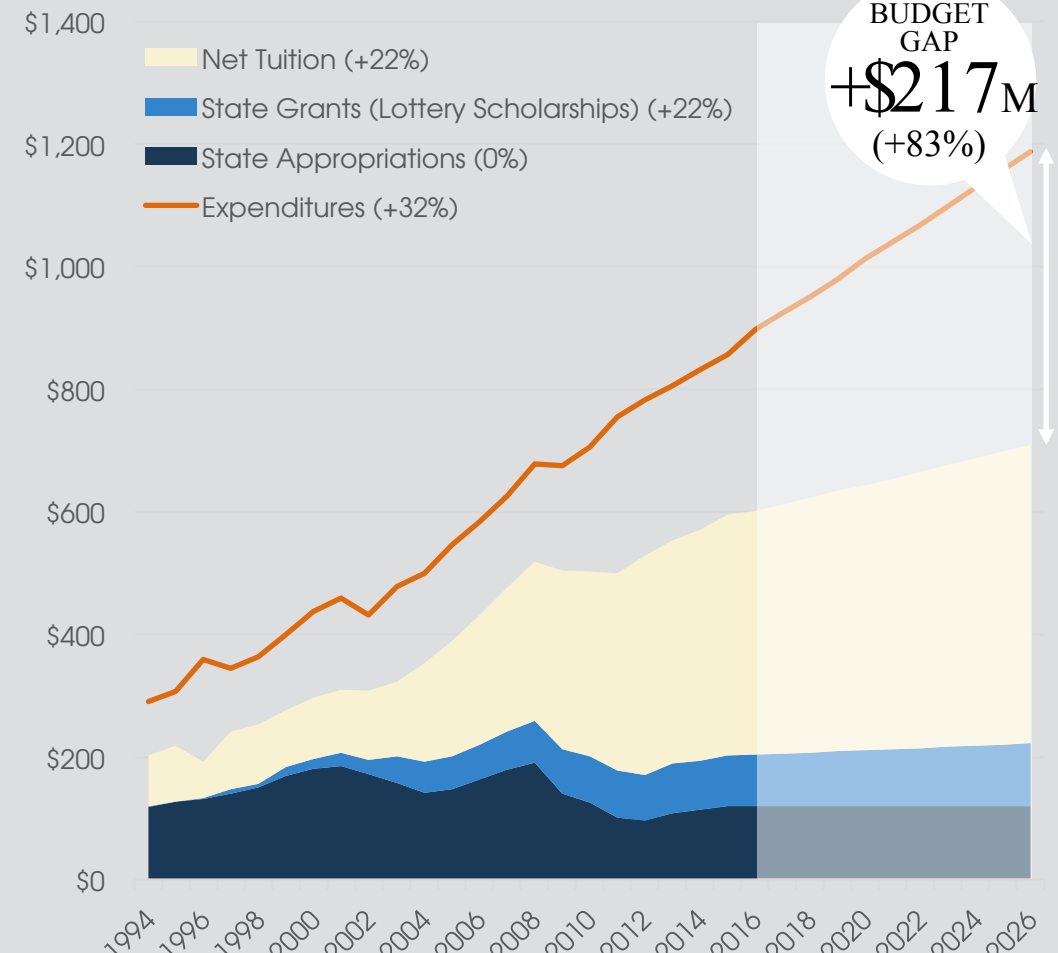
Projected Values, 2026

\$2,017M
(+\$527M)
Expenditures

\$224M
(+\$0M)
State Appropriations

\$832M
(+\$187M)
Net Tuition

COMPREHENSIVE (MILLIONS OF US\$)



Projected Values, 2026

\$1,187M
(+\$331M)
Expenditures

\$120M
(+\$0M)
State Appropriations

\$487M
(+\$94M)
Net Tuition

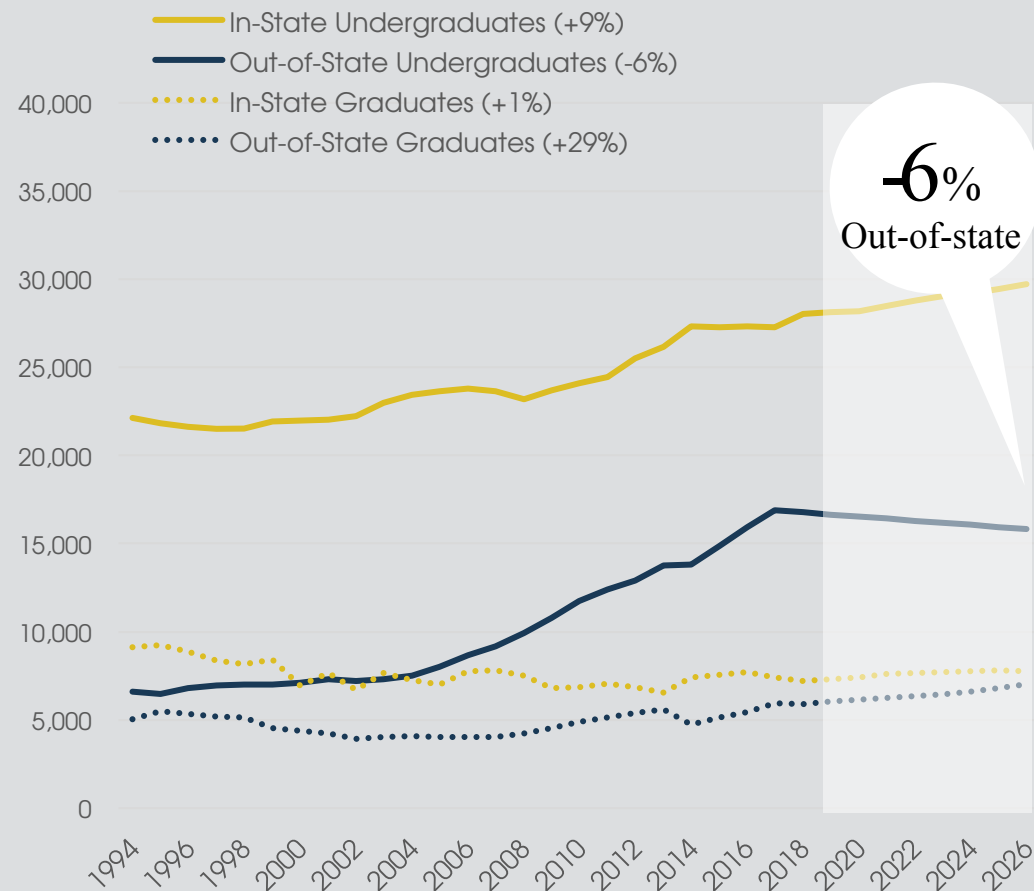
Growth Scenarios: DARK STORMS

43

ENROLLMENTS

Expenditures continue their **10-year trend**. Lottery scholarships slow to **CPI plus student growth**. State appropriations **are flat**. Price competition from other colleges, combined with declining nationwide enrollments, cause out-of-state enrollment **declines**, in-state enrollment **leveling**, and tuition rate **slowing**.

RESEARCH



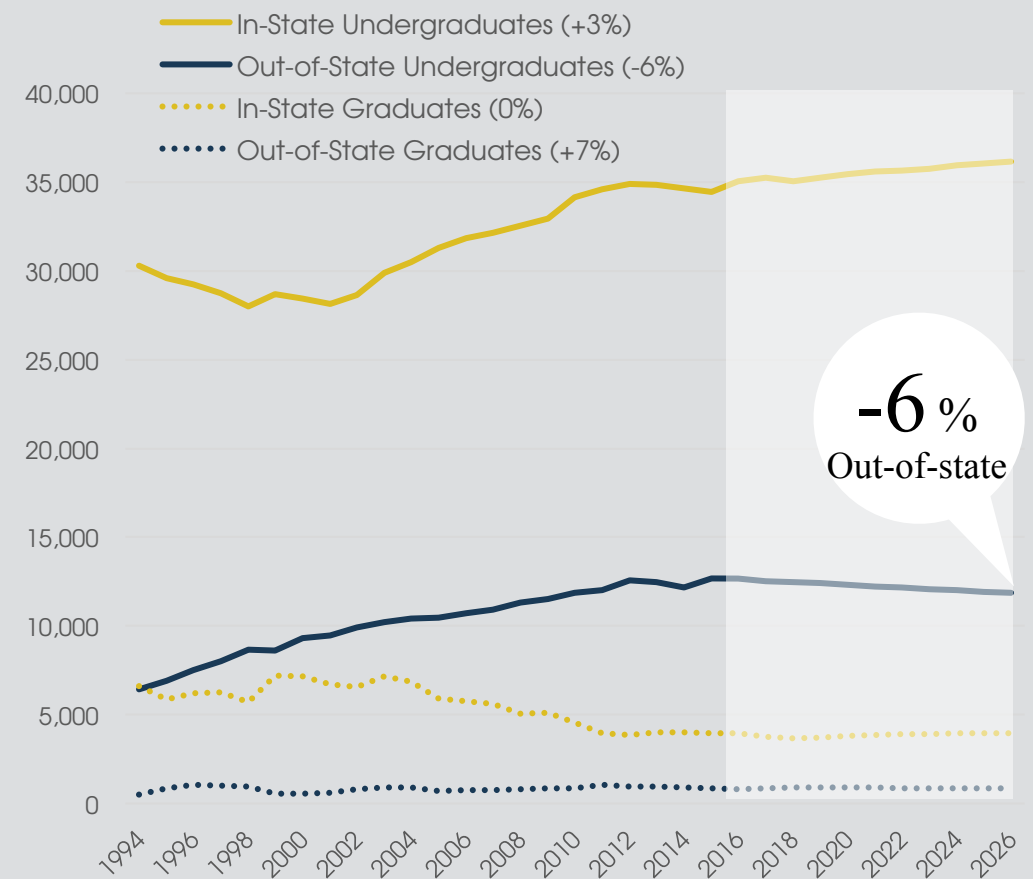
Projected Values, 2026

29,718
(+2,460)
In-State
Undergraduates

15,873
(-1,057)
Out-of-State
Undergraduates

38%
Out-of-State as
% of All Students

COMPREHENSIVE



Projected Values, 2026

36,155
(+1,731)
In-State
Undergraduates

11,854
(-823)
Out-of-State
Undergraduates

24%
Out-of-State as
% of All Students



SOUTH CAROLINA
Commission on Higher Education

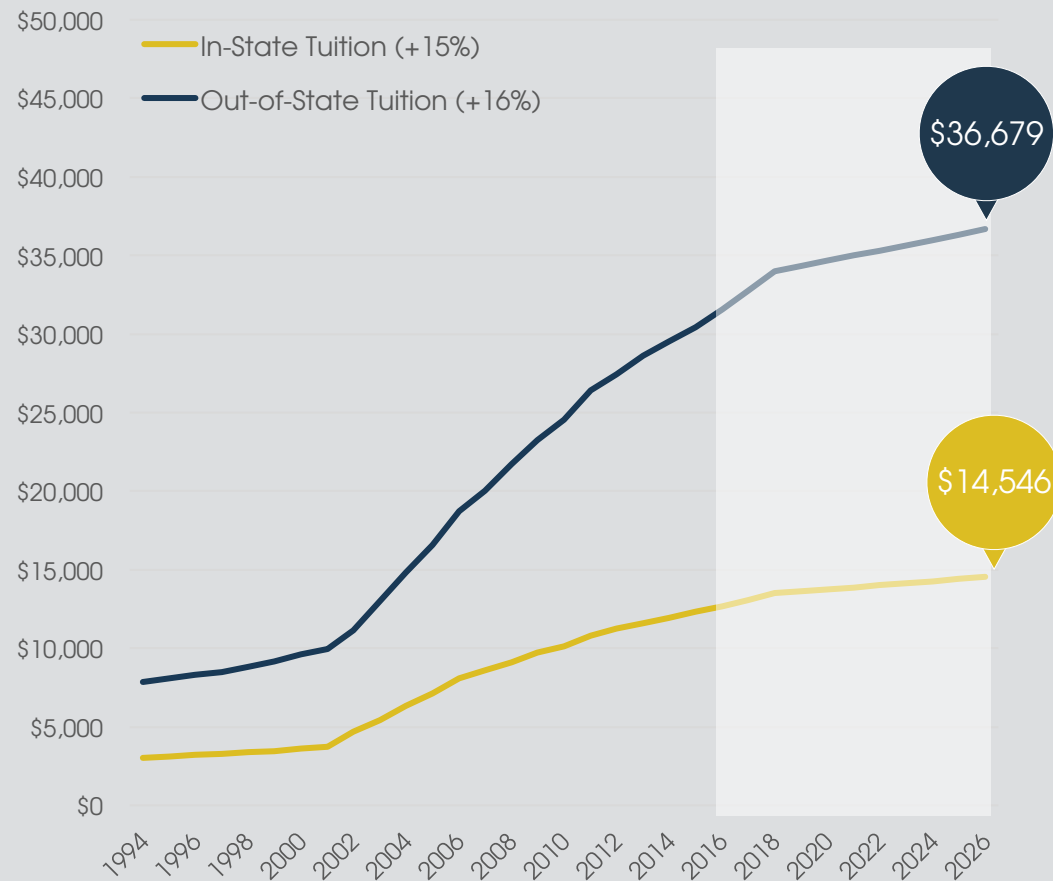
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Growth Scenarios: DARK STORMS

TUITION

Expenditures continue their **10-year trend**. Lottery scholarships slow to **CPI plus student growth**. State appropriations **are flat**. Price competition from other colleges, combined with declining nationwide enrollments, cause out-of-state enrollment **declines**, in-state enrollment **leveling**, and tuition rate **slowing**.

RESEARCH

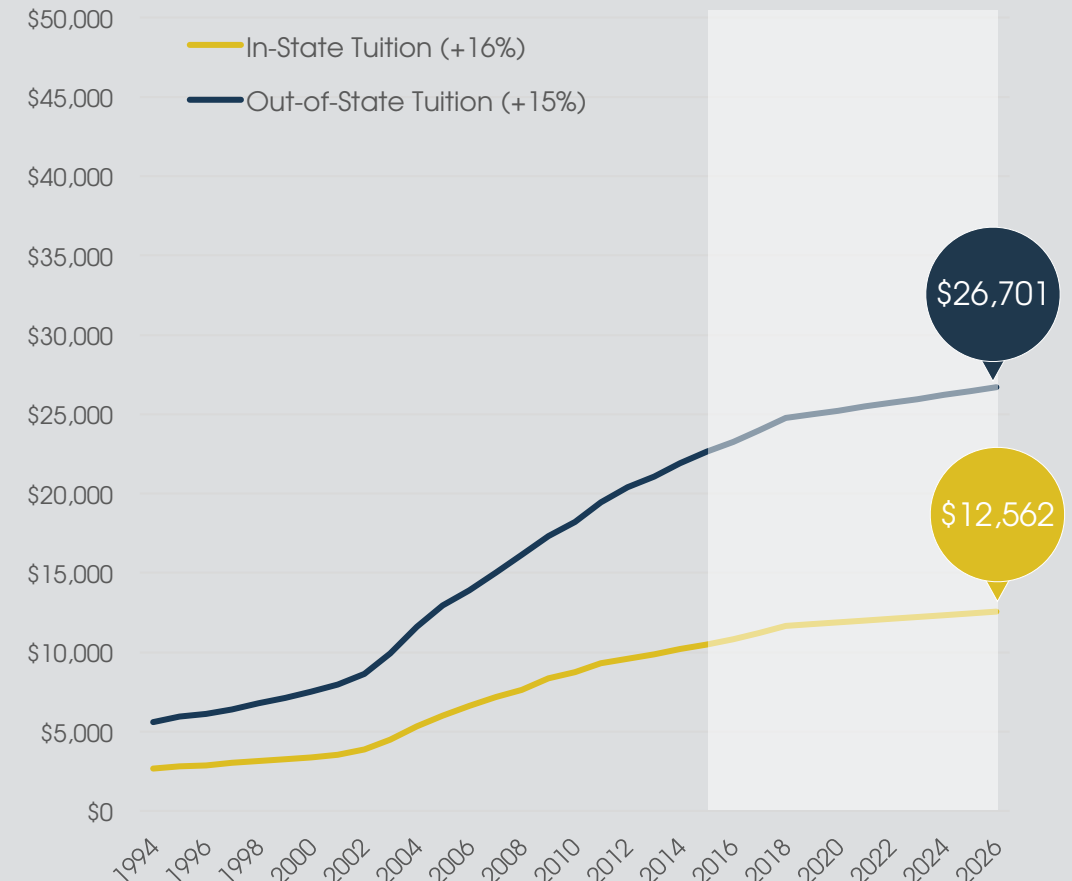


Projected Values, 2026

\$14,546
(+\$2,244)
In-State Tuition

\$36,679
(+\$6,228)
Out-of-State Tuition

COMPREHENSIVE



Projected Values, 2026

\$12,562
(+\$2,051)
In-State Tuition

\$26,701
(+\$4,036)
Out-of-State Tuition

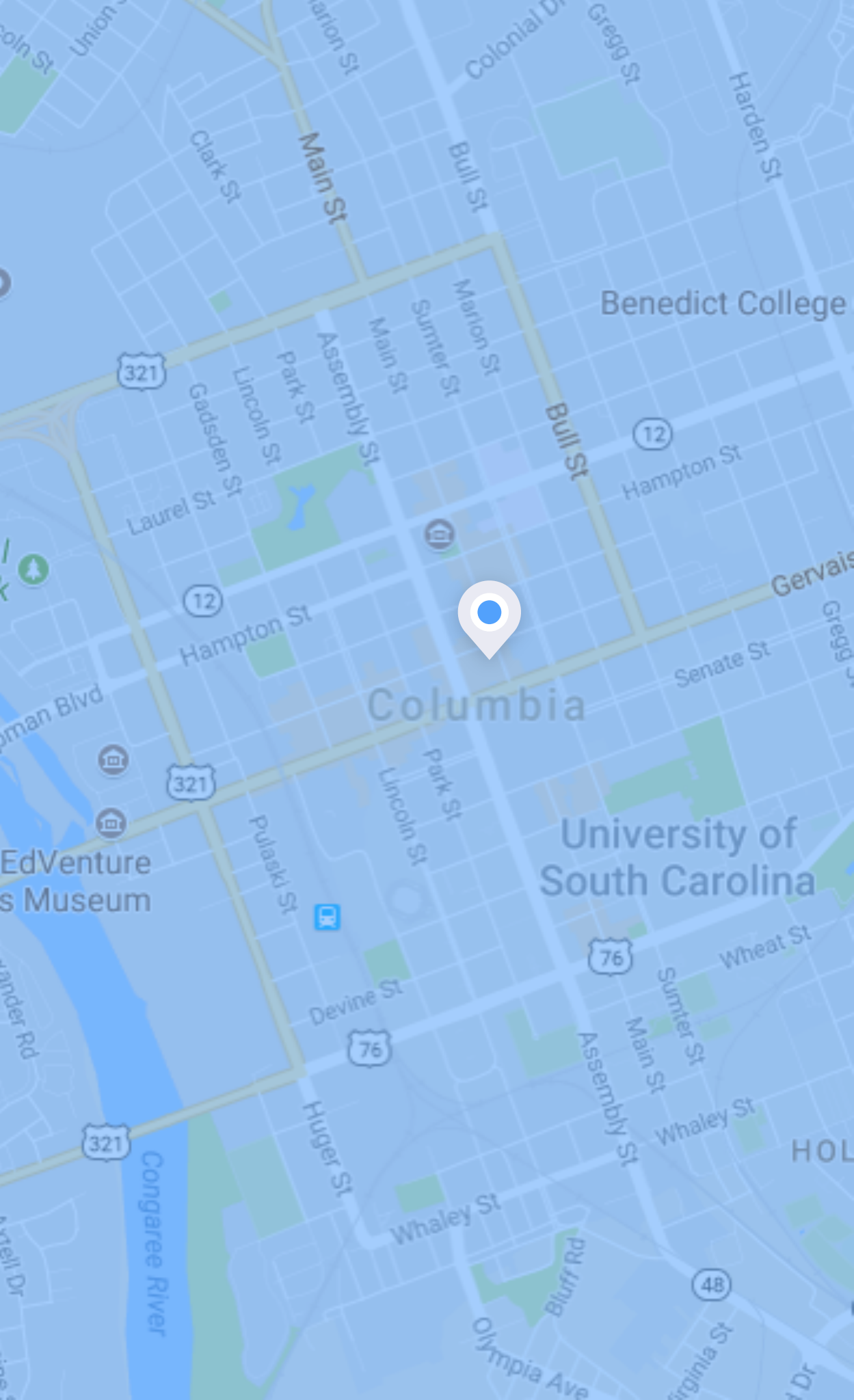


Refocusing the Mission of Higher Education in South Carolina

A market that is regulated and subsidized by government, to the degree higher education is, **cannot be operated as a free-market business**. Instead of focusing on maximizing tuition revenues at each school individually, we should **realign** higher education institutions with the **statewide mission** to **provide our citizens** with the **highest quality education** for the **lowest possible cost** to prepare them for the **workforce of the future**.

The state needs a discussion to give the institutions guidance and determine a sustainable path ahead.





South Carolina Commission on Higher Education

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Mission

S.C. CHE is committed to promoting quality, efficiency, and affordability in the state system of higher education through coordination, regulation, advocacy and oversight, as directed by the General Assembly.



SOUTH CAROLINA
 Commission on Higher Education